

# **EXHIBIT A**

Statement on behalf of:

Witness:

Statement number:

Exhibits:

Date of Statement: As dated

**IN THE**  
**BETWEEN:**

**CLAIM NO:**

Claimant

- and -

Defendant

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STATEMENT OF RENEE HOCHMAN

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I, **Renee Hochman**, of Ben Yehuda 6, Kiryat Ono 55528 Israel, will say as follows:

1. I am a native English speaker.
2. I work as a professional translator and have 23 years of experience in professional translation of documents.
3. The English transcriptions listed below and attached to this Witness Statement, correctly and accurately reflected the corresponding audio file, with no distortion or modifications of facts or biases:
  - Meeting of May 19<sup>th</sup>, 2021 (8 pages);
  - Meeting of May 26<sup>th</sup>, 2021 – Part 1 (6 pages);
  - Meeting of May 26<sup>th</sup>, 2021 – Part 2 (17 pages);
  - Meeting of June 3<sup>rd</sup>, 2021 (38 pages);
  - Meeting of July 29<sup>th</sup>, 2021 (19 pages);
  - Meeting of August 9<sup>th</sup>, 2021 (26 pages);
  - Meeting of August 16<sup>th</sup>, 2021 (23 pages);
  - Meeting of August 22<sup>nd</sup>, 2021 (15 pages).

**STATEMENT OF TRUTH**

I declare that the facts stated in this Witness Statement are true.

Signed .....

Name Renee Hochman

Date 26 September 2021

Place Kiryat Ono, Israel

**Exhibit RH1**

Date of the meeting: May 19<sup>th</sup>, 2021

Name and duration of the recording: Shring | 00:09:36

Time stamp	Side	Transcript
00:00:00	Di Meo	[Phone call starts]  00:00:22 - Hello?
	OP	Hi, Antonello?
	Di Meo	Yeah, that's me.
	OP	Hi, it's Lisa. How are you?
	Di Meo	Hi Lisa, I'm very well, thanks. And you?
	OP	I'm good. I'm sorry if there was some confusion with the time zones.
	Di Meo	Sorry, it was my, it was my bad. I assumed that London wasn't GMT, but--.
	OP	Oh, alright, alright.
	Di Meo	Some time of the year, it is not. So--.
	OP	Ah, okay. I understand the confusion.
	Di Meo	It's one of those few days.
	OP	Yeah, yeah.
	Di Meo	[...] I'm sorry about it.
	OP	Okay, no problem. No problem. So, you're in the UK at the moment.
	Di Meo	No, no, I'm in Greece at the moment.
	OP	Oh, okay. That sounds a little bit better, I think. [Laughs]
	Di Meo	Much better, yeah.
	OP	Yeah.

	Di Meo	Weather-wise, much better.
	OP	Yeah. Also, corona-wise, I think. I mean, I've been reading a little bit about what's going on in the UK, and I hear there is some problems with this Indian variant or something.
	Di Meo	Yeah, it looks like that. I haven't-- I'm not one of those guys that tries to read the list about coronavirus, but--.
	OP	[Laughs] Yeah, I think that's a good move.
	Di Meo	-why pretend it's not the [...].
	OP	Yeah. Yeah.
	Di Meo	Yeah. So--.
	OP	Alright. Well, it's--.
00:01:34	Di Meo	Let me understand how I can help you.
	OP	Yes, definitely. I understood from Nicky you wanted just to have a chat with me first and I think that's a good idea because I don't think you received--.
	Di Meo	Yeah.
	OP	-my earlier messages or my emails. So, I think this will be a great--.
	Di Meo	I don't think so. I don't think so.
	OP	Oh, perfect, so this will be a good opportunity for me to elaborate on, you know, the project, what we're looking for, and to answer any questions that you have.
	Di Meo	Yes.
	OP	So, let me just introduce myself first and explain my own role on this project and why we reached out to you as a potential consultant. So, we are a wealth and investment management firm, and we work with, you know, a select clientele of primarily ultra-high net worth individuals, and offering them

		tailor-made services through, you know, a team of experts, which includes expertise in finance, real estate, we do insurance experts as well, risk management. The company is based in Hong Kong and Amsterdam. The office here, in Hong Kong, is really the main office, while the one in Amsterdam is really much, you know, smaller, it serves primarily as a point of contact for European-based projects and operations.
	Di Meo	Yeah.
00:02:41	OP	And I've only been working here a short time, I started just a few months ago, In January, so this is kind of my first experience in the world of finance and wealth management. My background is much more focused on recruitment and HR.
	Di Meo	Yeah.
	OP	And that's actually the role that I occupy here, as well.
	Di Meo	Yeah.
	OP	So, here, I am the talent acquisition manager. So my responsibilities are, broadly speaking, you know, twofold, I play a large part in the internal recruitment process, so for the employees here. But the second and perhaps, you know, more interesting in my eyes, is the role that I play in the acquisition of external consultants and experts for different projects because--.
	Di Meo	Yeah.
	OP	You know, the company really does strive to provide the best possible services for our clients, but you know, we can't be an expert on everything, right? So, you know, very often--.
	Di Meo	[...].
	OP	-when clients express an interest in a particular industry or a region that is, you know, both new to him or to us, then we look for external experts.

	Di Meo	Yeah, sure.
00:03:39	OP	They can come onboard, you know, generally speaking, as ad-hoc advisors or independent consultants who provide paid consultant services for a certain period of time, and that's actually what we're speaking about today. So, this is a new project with a client of ours. The partner in charge of the project is Mr Ruslan Voronov, you haven't spoken to him yet.
	Di Meo	[...].
	OP	So, he's handling this particular project. The client is involved in different ventures currently in particularly mining, infrastructure, as well as maritime sector. So, the firm is helping him diversify his operations, and they are focusing on Southern Europe to do so. And the current initiative is to leverage the client's resources to take over invest in distressed companies. And this was decided to be a case, you know, once again, where it would be quite prudent for us to bring in some external experts who can consult with this on this project. So, that's really where I came in, all of the people that I've shortlisted as potential candidates are professionals that I found that match certain criteria. So, the parameters here of importance were of course, you know, experienced in distressed debt. On LinkedIn, you're listed as a senior distressed debt analyst.
	Di Meo	Yeah.
00:04:52	OP	I think any experience in Europe is of interest. Interest for myself as, you know, an HR recruiter, I always like to look for people who have work experience in one or more of the, you know, prestigious consulting or finance companies. And actually, I think--.
	Di Meo	Yeah.



	OP	-you tick quite a few boxes, I think you have Barclay's, McKinsey, and JP Morgan on your LinkedIn, just to name a few. And also, I saw that your last entry--.
	Di Meo	Because I'm old, that's [...].
	OP	[Laughs] And I also saw your last entry on LinkedIn was until December 2020, so perhaps, you know, you're currently working independently, or that was my thought process.
	Di Meo	Yeah. Yeah.
	OP	So, that's why we reached out to you. As a potential consultant, I think there is really a lot in your CV that shows, you know, promising relevance. And I would love to see if this is something that we can explore further.
00:05:40	Di Meo	Yeah. What kind of-- so, is this a finance or industry client? Because if he's looking for some help in understanding, let's say, the way through restructuring processes, bankruptcy related, and so, to invest in southern European companies, I have a lot of experience in Italy, some experience in France.
	OP	Great.
	Di Meo	That, it's a thing.
	OP	Yeah.
	Di Meo	If we are talking about operational turnaround and more of an industry angle, then it's not really my thing--.
	OP	Yeah. Yeah.
	Di Meo	-because you need higher operational managers to implement the turnaround, but the investments I've been focusing on do not rely upon heavy operational turnaround. So--.
	OP	Yeah, yeah.
	Di Meo	You should explain to me better exactly what the-- what they are after and what they do--.

	OP	Yeah, I think it's probably--.
	Di Meo	-so that I can see if I can help--.
	OP	It's probably much more the former because I did go over the list of potential candidates with Ruslan as well, so he did see the, you know, the CVs of people that were interesting to him. I do have to say that I'm, you know, just in the HR process. So, I'm mostly giving the parameters and the criteria of who we're looking for. That's why usually--.
	Di Meo	Yeah.
	OP	-the next step would be just to have a more detailed call with the partner on this case because he can give you all of the details about the project, what they're looking for as well as any of, you know, the technicalities of how you can work together.
	Di Meo	Yeah. Okay. [...].
00:07:23	OP	And you did say that you're currently working independently, correct?
	Di Meo	Yeah. I retired from working for others. I only invest my money and--.
	OP	Yeah.
	Di Meo	-family-office money--.
	OP	Yeah.
	Di Meo	-in distressed investments.
	OP	Yeah.
	Di Meo	And so, I keep doing so. So, I'm still invested in the space.
	OP	Perfect.
	Di Meo	I just do it for my own account--.
	OP	Yeah.
	Di Meo	-and a couple of family offices that I--.

	OP	Yeah.
	Di Meo	-work in relationship with.
00:08:00	OP	Perfect. So, I would love to take this further and just set up a call with you and Ruslan, if that's okay. We can have a regular call, or if you'd like we can do a Skype call as well, which would be kind of more of a professional meeting.
	Di Meo	Whatever you guys want. I'm not [...].
	OP	[Simultaneous talk] Okay. So, I should probably-- the email that I sent you the message to was one that I found online, so perhaps it doesn't actually belong to you. It was dimek10@hotmail.com.
	Di Meo	No, the email is correct.
	OP	Oh, okay.
	Di Meo	Maybe it went into spam.
	OP	Okay, perfect. So, how about I coordinate there? Generally speaking, you have more availability in the mornings?
	Di Meo	Early afternoons--.
	OP	Early afternoon. That's European time, let's see. Okay, do you already have a particular day that's most comfortable for you?
	Di Meo	Let me check, one second. Tomorrow and Friday are probably best because then, I have a guest coming to Greece.
	OP	Tomorrow and Friday, okay, perfect. So, I will consult on our end to see if we can schedule this.
	Di Meo	Sure, sure.
	OP	And then, we can take it from there. So, thank you so much for your time--.
	Di Meo	Alright, thanks Lisa, have a good day.
	OP	-and I look forward to staying in touch.

	Di Meo	Bye, now. Bye.
	OP	Right. Thank you, bye.
	Di Meo	[...].  [Meeting ends]

Date of the meeting: May 26<sup>th</sup>, 2021

Name and duration of the recording: 20210526\_120439 | 00:19:24

Time stamp	Side	Transcript
00:00:00	OP1	[Meeting starts]  00:00:40 - Still not there, but hopefully soon.
00:01:48	OP2	How old is he?
	OP1	Here he is. Hello?
	Di Meo	Hello?
	OP1	Hi, hi, hello, pleased to meet you, how are you?
	Di Meo	Very well. Can you give me a second? I'm trying to put the headset on.
	OP1	Yeah, no problem, yeah, go ahead.
	OP2	[...].
	OP1	Yeah.
	OP2	[...].
	OP1	Yeah, we'll wait.
	Di Meo	Can you hear me?
	OP1	I can hear you perfectly, would it be possible to operate the camera please? Because I can hear you, I cannot see you.
	Di Meo	Yeah, no, I'm [...] in all audio, so--.

	OP1	Sorry?
	Di Meo	Yeah, it's only audio. Only audio.
	OP1	It's only audio?
	Di Meo	Yeah. Is there a problem?
	OP1	Is it possible to operate the camera?
	Di Meo	Because I'm currently on a beach in Greece, so I'm not sure you want to see me on the beach.
	OP1	With what? It's not a problem.
	Di Meo	Fantastic. Nice to meet you, first of all.
	OP1	You too. Again, I'm asking, would it be possible, I can even wait for five minutes, in order to operate the camera? It will be much easier for me.
00:03:36	Di Meo	Yes, sure.
	OP1	Okay, I'm waiting. Thank you very much.
	Di Meo	Thanks.
00:07:35	OP1	Hello? Hello?
	Di Meo	Hello?
	OP1	Yeah, are you okay?
	Di Meo	I'm fantastic, thanks. And you?
	OP1	Yeah. Can you open the camera? Is it okay?
	Di Meo	Say it again, sorry?
	OP1	Can you operate the camera please?
	Di Meo	Yes, one second.
	OP1	Thank you very much. Oh, perfect.
	Di Meo	Can you see me?
	OP1	Yeah. Oh, hello.

00:08:10	Di Meo	I'm on the beach in Greece, so--.
	OP1	Perfect, this is the perfect-- great.
	OP2	Wow, that looks good. That looks good.
	OP1	I want to tell you, I'm envying you, I wish we were quite the opposite. You're sitting with the suit and a tie, and I'm sitting with a bathing suit. I wouldn't even bother to put a shirt on. So, thank you very much for [...]--.
	Di Meo	I think for a while I'm done with suit and ties.
	OP1	Yeah.
	OP2	Yes.
	OP1	But again, if you are seeing some nice ladies moving there, just move the camera a bit, okay? share it with us, okay?
	Di Meo	With pleasure, with pleasure.
	OP1	Yeah, don't be--.
	OP2	How hot is it there? Not?
	Di Meo	It's 28 degrees.
	OP2	About the same.
	OP1	So, first of all, I asked David-- this is David.
	OP2	Hi.
	OP1	David Brown, he will present himself.
	Di Meo	Nice to meet you.
	OP1	I asked him to join us. First of all, thank you very much for having this call with us.
	Di Meo	My pleasure.
	OP1	And I'm sorry for bothering you in the middle of your--.
	OP2	Your vacation.

	Di Meo	No problem at all.
00:09:16	OP1	Yeah. So, as far as I understand, Lisa talked with you and explained you in general lines what we are looking for and what we are dealing with. If you would like me, I can repeat everything from the beginning.
	Di Meo	It would be helpful, because I'm not sure I quite understand how I can help you, but-- so if you can give me again, exactly--.
	OP1	Okay, yeah.
	Di Meo	-a snapshot of the situation.
	OP1	No problem. In a minute David will go more into details. In general lines, we are representing as a consultancy [consultancy] firm an high-net individual from China, that dealing with several aspects of investments like coal mines, energy, maritime and other businesses. And he now very keen on trying to find some business opportunity of distressed assets in southern Europe. This is why we asked our analysts and Lisa to try to find a more suitable individual to help us with that, and your name came up among others, and this is why we asked Lisa to call you. And as far as we understand, this is what Lisa reported, it's that you are an expert in such fields in France and Italy, that might be very interesting for us.
00:10:51	Di Meo	Okay, yeah. Not in the sector specifically, but generally speaking, I spent most of my career taking over assets out of, let's call them Chapter 11 type proceedings--.
	OP1	Okay.
	Di Meo	-in the-- in Europe in general, and obviously with a focus on Italy, which is a jurisdiction I know better, and have better relationships--.
	OP1	Okay.
	Di Meo	-given that I'm an Italian national.

	OP1	Okay. So, first of all, Italy, it might be very interesting for us, and this is in a nutshell. I will let David get into-- more into details, and I hope we can find the mutual path for both of us. Hopefully, as far as I understood, you are now more of an independent person, you are looking for--.
	Di Meo	Yeah.
	OP1	Yeah. so, I hope we will find something to do together.
	OP2	<p>So, Di Meo, first of all let me, just a brief introduction of who we are, what are we doing, and-- my name is David, I've been in the mining and maritime industry for the past, I think, 30 years. I've worked with a lot of Russian companies and Chinese companies. [...], Rosatom, all kinds of very large energy and, you know, passing a lot of commodities from China to Russia to Japan. Our customer, apparently, is dealing with passenger and ferries between China and Japan. He's very lucrative, he's a backbone business. He's dealing with mining of lithium in China, and he's moving this lithium all over Asia for, you know, the battery business. As such, there is a lot of money parking in Hong Kong currently, and we are looking into diversify our investments in Europe right now.</p> <p>00:13:17 - I don't know if you know the situation in Hong Kong, but it's-- the Chinese government is pushing forward to have access to all the banks over there, and in particularly high-net worth individuals, and those people are looking into better investment and to bringing or take out the money and invest in places in Europe. We are-- the nature of our customer is mainly maritime-- do you hear us? Hello?</p>
	OP1	Hello?
	OP2	We lost him.
	OP1	Hello?



	OP2	No, no, we have to reconnect [...]. He doesn't [...].
	OP1	Internet is unstable, we lost connectivity.
	Guest	Ours?
	OP1	Yes.
	OP2	I don't think it's ours.
	OP1	No?
	OP2	No. we cannot connect at all, so--.
	Guest	No, it's ours.
	OP2	Ours? Okay. [...] here? No.
00:17:15	OP1	Yeah, no.
	OP2	We just can close it, [...].
	OP1	Hmm?
00:17:34	OP2	I just hired two people from here. [...].  00:19:05 - את שומעת אותנו? - אור, [Hebrew: Or, can you hear us?].  [Meeting ends]

Date of the meeting: May 26<sup>th</sup>, 2021

Name and duration of the recording: 20210526\_122802 | 00:38:57

Time stamp	Side	Transcript
00:00:00	OP2	[Meeting starts]  00:00:30 - Did he see it? No?
	OP1	No, not yet.
	OP2	Okay.
	OP1	Okay. Send him please that we are--.

	OP2	On the air.
	OP1	-on the air, and we're waiting.  00:02:49 - Did he read the message? Is it possible, somebody can call him?
00:03:32	OP2	Send him an email as well.
	OP1	Yeah, [...].
	OP2	Yeah. Okay.
	OP1	We are waiting.
	OP2	Maybe he's going back to the place that he can speak to us.
	OP1	Oh, okay. Hi again.
	OP2	Here we are again.
	Di Meo	[...] again.
	OP2	Yeah--.
	OP1	Yeah, we're sorry.
	OP2	Terribly sorry about that. It's always this way in the office, but it's okay.
	Di Meo	It's okay, I changed--.
	OP2	You changed already?
	Di Meo	-I changed my--.
	OP2	Changed location?
	Di Meo	-yeah, so I hope you can see me here too.
00:04:24	OP2	Di Meo, where did you stop hearing me?
	Di Meo	Hong Kong, change of situation in China, and the willingness to diversify in Europe.
	OP2	Okay. So, as I mentioned, our, you know, the person that we actually represent, we have two actually business places that we would like to have your expertise. One is in Hong Kong, and

		<p>the other one, we are looking for, as I-- as we mentioned, distressed companies within Italy, France, mainly Europe. You mentioned Italy. But we, as I understand from Lisa and from your expertise [expertise --], you are well-familiar with distressed assets. You know the financial behind them. We come from the operation side, so the operation is there. Once the financial aspect is resolved, then we can actually take the company into a different place. And before we elaborate more about the current company that we would like to have your help with, can you give us some highlights of what you have done before, what kind of expertise you have, which companies that you work with, so we can go to our customer and show him and then get the 'OK' to put you on board and work with you? Frankly saying, I don't need you to come to Hong Kong, it's email, Zoom, will be as-- fit as well. And the next thing if you may, is if you have any possible investment, this is my part in the game, we would like to start moving assets from Hong Kong to Europe.</p>
00:06:32	Di Meo	<p>Okay, so first, on my background. So, I studied in Bocconi University, Milan, in business administration, more on the quantitative aspect of things. I studied one year in an exchange program in the US, at UCLA California. And then I got hired straight away out of university from JP Morgan to start their analyst program in M&amp;A. After a quick three years in M&amp;A, from 2000 to 2003, I went into working for investment funds. The first part of my career was in private equity funds, specifically with TPG, a US-based firm which today manage \$100 billion in various asset classes. Back in the days when I was an associate at TPG, we were only doing private equity. And after that experience, I decided to-- obviously the private equity job was 7 days a week, 24 hours, no sleeping, working like a dog for the Americans, and I didn't envisage my life to be like that. So, I tried--.</p>

	OP2	What, the American part or the life?
00:08:09	Di Meo	<p>Let's start with the life, but I've worked 20 years for the Americans, so it's-- for American companies, hedge funds and stuff, so anyway, I tried to get to use my private equity skillset to be applied to the hedge fund business, which was booming in 2005, and people with my background from private equity had moved into hedge funds working half of the time, and make twice the money. So, the proposition was appealing to a, back then, 27-years-old guy. So, I, after a bit of search, I ended up working for HBK which was a 20-years-old New York-based hedge fund, quite popular at the time, a still relevant hedge fund to date. And then my career has been in a hedge fund from 2005 to last year.</p> <p>00:09:12 - What I've done for hedge funds was basically investing in distressed debt, either in distressed loans or distressed bonds. So either through negotiating on a private basis, when you have to restructure alone and convert it into a new loan or private equity, or on the public market side, when you buy a public bond, and you need to follow a public type restructuring proceeding, in order to take over control of the companies, or just improve your credit worthiness of the investment through a restructuring. So that's what I've done for hedge funds and Barclays [...] in the last 15 years. In the last--.</p>
	OP2	In-- I'm sorry, in terms of restructuring, did you use local banks? I mean, European banks, or American banks only?
00:10:06	Di Meo	No, so, basically the sourcing, it comes two ways for loans. The public market-- sorry, the quasi-public market in London, because the difference in loan trading in the US is public instruments, also for regulation purposes, in Europe it's a private instrument. So the over the counter trading that happens in London among investment banks of loans, is for loans which are large loans of private equity owned companies, usually

		loans arranged by large investment banks. And then it comes to the more local market, where you have private loans, not trading in London, but sitting in the [...] of European banks, and then the sourcing is not through the trading desks in London where you do have [...] through Bloomberg. But you need to go and speak to the banks, Intesa, UniCredit, see what they have in their book, and try to see if something is marked, is provisioned for-- at attractive prices, such that you can bilaterally make an offer to UniCredit and Intesa in case they wanna sell the loan, and then you take over the loan from them, and then you directly face the company. So the--.
	OP2	How well are you connected to Barclays, Santander, UniCredit?
00:11:32	Di Meo	Well, obviously, you might appreciate that management teams can change all the time, so--.
	OP2	Yeah.
	Di Meo	<p>-at one point in time you might be well-connected to a specific institution, and two years later you're not. Obviously, when it comes to the trading business of Barclays, well-connected, but I'm well-connected to most of the distressed debt trading businesses of investment banks. One of my best friends who runs the global business of Morgan Stanley, I'm very well-connected with Stifel, which is the independent broker that trades in Europe and in the US, distressed loans and bonds. Barclays, for obvious reasons. JP Morgan, because I used to work there. I have friends at Goldman Sachs. So when it comes to London contacts in investment banks, again, people can change, management teams can change, but when you've been in the market for so long, it takes a few phone calls to then generate the right contacts in those institutions, to have at least their [...].</p> <p>00:12:45 - When it comes to European banks, I would say only the Italian ones I can really have-- call into senior people at the</p>

		banks to be listened in-- to. Because in the other markets, to be honest, I let the investment banks do the sourcing, while in Italy I used to do the sourcing myself, of investment opportunities. So, that's a pole part--.
	OP2	Which banks did you work with in Italy?
00:13:12	Di Meo	Well, I can get to any bank in Italy through my contacts, but in terms of UniCredit, Intesa definitely-- which cover 90% of the marketplace, they definitely-- I definitely have good contacts there.
	OP2	Okay.
	Di Meo	But they cover 90% of the marketplace.
	OP2	Okay.
	Di Meo	My father was a 30-year banker at Intesa, so I still have relationship from there. So, the last 15 years of my career, I've spent working for hedge funds to invest in distressed debt. Public, private, directly-sourced or market-sourced in London. In the last few years I worked for Sound Point Capital, which is a relatively new investment manager which was born in 2007, I believe, and now manage more than \$20 billion. And I was doing the usual stuff, so London office covering the European distressed market. In the last few years I did start making some personal investments, alongside the larger hedge fund investments, and so I decided last year to resign from Sound Point and to focus only on my personal investments and some investments where I involved, also family offices that I know. So I put--.
	OP2	I-- sorry-- I can tell you it's quite impressive what you're telling me, with regard to the network you are having. And I would like to take this conversation just a little bit sideways, sideways from our current distressed company in Hong Kong. As I mentioned to you before, we have in a range of-- currently, we

		would like to touch on between \$70 to 150 million of investment in Europe. Take out money from Hong Kong and park it in any distressed company, because this is what our customer is looking at. He's very much similar to your background, but mainly in the Chinese company, but you know, governmental, all those government distressed companies that he took over, this is where he made his fortune. And I would like to know, do you have-- with your contacts, can we-- can you see any potential investments in Italy, France, England, which you might think of?
00:16:10	Di Meo	<p>Look, I'm currently in the phase of managing companies that I purchased. So, in the last year and a half, I've not been actively searching the market for new investments. I mean, I'm doing stuff, tiny stuff here and there, but I have two very large investments that I own which, again, it's kind of the make-it-or-break-it kind of situations for me. So, I'm 100% focused on-- in one case it's a company that I have already taken over, I have 50% shareholdings, it's in the waste management business, and I'm currently in the phase of studying the exit opportunities. And I can tell you a bit more about that.</p> <p>00:17:03 - In other companies, the largest Italian ferry business that takes people from Italian mainland to Sardinia and Sicily, I am the largest creditor. I'm currently in the fight with the shareholder in the context of Chapter 11 proceedings to restructure my creditor position into shareholding. It's a catfight because, as you might expect, any ship owner in the world doesn't want to let the business go and have the creditors insinuate themselves into the equity. So, that's an open fight, creditor fight, that I'm doing and for which there is also a lot of public press coverage in Italy. So, if you do a bit of search on my name, you'd see my name associated with this Moby-Tirrenia number one ferry operator.</p>

	OP2	What is the name? What is the name, once again?
00:18:09	Di Meo	The company is called Moby, M-O-B-Y, Moby-Tirrenia, T-I-R-R-E-N-I-A. It's a 700-million-debt company with 76 vessels doing various routes between Italy mainland and Sardinia and Sicily, which are the two main--.
	OP2	What are the-- what is the size of the vessels?
	Di Meo	Oh, we're talking about vessels that can take, I mean, cars, probably 100, I don't know, a few tens of cars and hundreds of passengers. I mean, if you type 'Moby Italian ferry', you would see the type of boats they have, vessels they have. So, now I am in Chapter 11 proceedings, I'm the largest creditor, so I hold the key to the vote for the restructuring. So, it will be a tough negotiation in 2021, this year, to cut a deal with the shareholder. So, this is the other second large, large investment that I own, and where I have involved family-office money into my trade, which I completely manage, so it's under my complete control.
00:19:41	OP1	Is it something that--.
	Di Meo	So--.
	OP1	-is it something that might be interesting for us, as an invest--.
	Di Meo	I think, look, I think-- if I have to be honest, I think that the waste management business, I have, kind of, it's interesting if you know the sector, it's obviously 50% shareholding, so there is a question of, you wouldn't control 100% of the company, because my partner with the entrepreneur would stay in there. But there are basically three shareholdings in three different companies. Tomorrow I'm selling one to him, the other two are very large in potential size, we're talking about tens of millions of value, and I own the shares, so they are ready to go, so to speak. But I don't know if you care about the waste management sector.



	OP1	It's something that might be interesting, yes.
	OP2	This is in Calabria, or it's up north in Italy?
00:20:40	Di Meo	No, no, no, no, it's stuff, which is very [...] deep compared to the southern Italian waste management stuff. It's in Liguria and Lombardi regions, so--.
	OP2	Okay, [...].
	Di Meo	<p>-there is no-- there was a public bond before it-- the company, there is the eyes of the public prosecutors every day of the week, so there is no tricky stuff going on. Obviously, it's a continuous fight to get the landfill extensions, but it's potentially one of the most profitable business without doing much, as you might appreciate. But we can talk in another session about that. With respect to the ferry operator, to the ferry business, it's-- I would say it's potentially extremely attractive after I've cut the deal with the entrepreneur because now, the only thing I have to offer to you is the largest bondholding position in the capital structure which gives you the vote, but you need to know how to manage it with Italian court, it's the court of Milan, in order to make sure that you ultimately take over control of the vessels. So, I would say, for somebody who is not an expert in distressed proceedings in Italy, I would say, let me work out the trade, let me work out the process, and then at the end of it, once I own shares or restructured debt, then those are ready to sell-- to be sold.</p> <p>00:22:25 - If instead, they are more under time constraints, then obviously I can explain to you the trade, I can still manage the trade for you, I can put your money into the trade if that's what you're looking for, depending on the size as well.</p>
	OP1	I have two questions.

	Di Meo	But it's more complicated because it's not a done deal. It's like I'm working out, through the restructuring, the partial takeover of the fleet.
	OP1	I want to ask where it's all heading, what is your-- what do you think, how it's going to end up, all this thing?
00:23:04	Di Meo	Tough to say. I think it's going to be a debt for-- so, basically, my plan is to use my key voting rights to minimise the recovery of other creditors and cut the deal with the equity to co-own the equity with him.
	OP1	Okay.
	Di Meo	That's my plan. So, I think my bond position will be restructured into new debt and new equity with governance rights.
	OP1	I understand. My second question is, we are not really familiar with this area in the world. Do they have any competitors, or they are the only ones that doing this line?
	Di Meo	There are three competitors in Italy doing this route.
	OP1	Okay.
	Di Meo	Some routes are subsidised by the Italian state, Obviously there is a big game there that is currently going on between the company which is in Chapter 11, which has the subsidies from the state, and the government. So, it's very public situation, that's why I said there is press articles every day in Italy on this situation. And there are three competitors, the other two are larger because they are expanded internationally, so they have stronger financial resources. The one where I'm invested in is the largest in terms of ferry passengers in Italy, but it's not an international business, so it's weaker from the financial standpoint. But it has a big fleet, as I said, so it has 76 vessels between passenger ferry--.

	OP1	It's okay.
	Di Meo	-also, they obviously move products, not only people. And they also had tugboats, which is a concessions-based business where you cut a deal with the port authorities and you tug various boats or things that need to be tugged with your own vessels.
	OP2	Where is your--.
	Di Meo	So there are various aspects to the business.
	OP2	What is-- do you wanna ask?
00:25:30	OP1	Yeah, yeah, I want to ask, who are the competitors? What the name of the competitors?
	Di Meo	Grimaldi, G-r-i-m-a-l-d-i, and the largest business in the world, which is MSC.
	OP2	Oh, MSC [...].
	Di Meo	M-S-C. He's an Italian guy who is based in Switzerland.
	OP2	Tell me, how would they feel-- how would you feel to have a Chinese investor behind you, taking over, should this be the case?
00:26:11	Di Meo	Well, look, I'm a financial investor, so whichever route makes me the most money is what I go for. So, I'm not-- I give you the way I think. I've not been-- I know that one of the two competitor is interested in some of the vessels and some of the routes, but I've not contacted him because I want to have negotiating leverage in my hands and I do have a negotiating leverage when I've done the deal with the current shareholder. So, what I want to say is that I'm obviously playing the restructuring in the Italian Court of Milan and doing the steps with my lawyers to maximise my negotiating leverage when it comes the moment of voting a restructuring plan. So, that's what I've been doing. Obviously, at one point in time, if there needs to be financial resources, having a financial backer would

		<p>help out. I've not looked for it, because at this point in time, I'm not at that stage where I need it. If it comes the point where I need it, I would pick up the phone and make the phone calls for my contacts. But it's something we can look into it.</p>
00:27:35	OP2	<p>In terms of financial institution, UniCredit or any others one, you mentioned two very impressive and seem to be lucrative investment possibilities. Your contacts there can bring other assets into play?</p>
	Di Meo	<p>Yeah, I mean, with me, given that I've done distressed business in Italy for many, many years, probably more, I would say more than anybody else, but I only pick and choose few situations, I'm not the NPL portfolio kind of guy that buys 100 loans for peanut recovery and does a statistical game of investment. I pick up individual loans where I can invest in the company. Where there is operations and there is a private equity angle, ultimately. So, I would say that bringing new assets to invest in is not a problem. As I said, I've not actively searched for stuff in the last year and a half, I keep getting phone calls about sourcing opportunities of investments. It takes me one to two months to generate incredible amount of investment opportunities. Now, the type of investor I am, I only do very few things which I have full control of and where I know the trade very well. I don't just put my money into ten things, because I hope that two will work.</p> <p>00:29:15 - So, the sourcing and the origination of investment opportunities in the distressed space is not a problem at all. Being it buying loans or debt, or buying companies through the provision of super [...] of new finance, new money.</p>
00:29:39	OP1	<p>Yeah, look, I'm coming more from the-- my experience is in the Russian market, and in order to maintaining this market, you need to be very creative. So, usually when we are doing business in other places in the world, we are looking for</p>

		<p>somebody that knows the culture and of course the business climate in this certain area, and we-- for him to help us.</p> <p>otherwise, we will never succeed. So, I'm-- I would like to take the Russian creativity to ask you, would it be possible, of course, through you, to join forces with one of the competitors of this shipping company in order to bring it to the end and to achieve the goal?</p>
00:30:31	Di Meo	<p>At the right point in time, yes. I don't think now is the right point in time because there is also antitrust considerations to be taken into account and you want-- I want to speak to third parties only at a point where I have strong negotiating leverage. Today, I'm just a creditor.</p>
	OP1	Okay.
	Di Meo	<p>So, what do I bring to the table? It's just-- okay, creditor rights and the key hold in the restructuring but it's not enough. So, again, it's-- I would be-- I would just create first the path to being the winner in the restructuring, and once I have that path clear and approved by the court then obviously, I can see how to maximise my value by facing third parties, including the competitor.</p>
	OP1	<p>And who is the most suitable competitor that might be helpful for us, according to your experience?</p>
	Di Meo	<p>There are two competitors. One is Grimaldi that's always wants to make Moby go bankrupt because he's interested in taking over the routes. So, I don't think MSC has any interest in Italy, so it's-- but it's-- there are antitrust considerations, so you can't, technically, I think, you cannot go from a three-player-market to a two-player-market [...] situation where there is [...], or there can be just the disposal of certain routes, rather than the overall business. So, it's not straightforward, because as I said, there are antitrust considerations--.</p>

	OP1	I understand.
	Di Meo	-to be taken into account.
00:32:25	OP2	We know quite well MSC, we don't know, to be very frank, Grimaldi is-- I have heard the name a few times in the past, but I don't have enough information about this company. What are your contacts with those-- MSC, we can actually bring contact, bring money from there as well, so--.
	Di Meo	I have not chased any contact with these guys because I'm waiting to have negotiating leverage, so--.
	OP2	Let me take you just one second-- sorry.
	Di Meo	The lawyer of Grimaldi has got in touch with me in the past, there have been just exchange of views, let's say, but I've been playing my game, he's playing his game.
	OP1	I understand. So, I think it's a bit premature.
	OP2	Yeah, it is.
	OP1	But the path is quite, quite good.
	OP2	But I--.
	OP1	I think if we will be patient, it's a matter of how long? It's a year, half a year, one month?
00:33:35	Di Meo	I think the restructuring will be clear at the next six months.
	OP1	I understand.
	OP2	I like the idea of 76 vessels, I think it's a good opportunity for us, to be very frank. We can exchange vessels as well. But we need to do some internal investigation and come back to you to let you know that we are, you know, we would like to cooperate. And I would like to take one step backwards and ask you, how do you work in terms of consulting as a-- you work on success, commission, a monthly--?

	Di Meo	I've never-- I mean, since I left the hedge fund business, I never kind of, consulted, because I'm an investor. I have money to manage, my own family office money. I make more money investing 10 million and making it 50 million, rather than asking for a consultancy position.
	OP2	I totally understand and respect. So, as I mentioned before, should we have this money allocated, can we come back to your few investment possibilities, whether it's, you said, [...].
00:34:56	Di Meo	We can see if there is a way where I can help out and maybe we could invest, or, there are ways that need to make sense for me, because as I said, it's-- I'm in the business of making-- taking the millions and multiply them. So, I wouldn't--.
	OP1	We all do.
	OP2	We're all on the same boat.
	Di Meo	Yes, but I was paid-- for working for the hedge fund, I was paid million dollars, and I gave there up because I thought it was bad opportunity cost compared to what I-- so, what I'm saying, as I said, I think a co-invest-- some co-investment or managing of the assets with the performance being-- things like that can probably make more sense to me, but let's discuss that if we identify a situation which really can get to the finish line.
00:35:56	OP2	I totally agree with you. What I would like to do is the following, as always, if you have anything later on to-- I'd like to take it over to our board and present it to our customer. I'm very keen, I can see huge opportunity with this vessels, exchanging vessels between Hong Kong and Italy, I can see a lot of potential here.
	OP1	Also the waste management sounds very good.
	OP2	Yeah, yeah, that's true as well.
	OP1	Yeah.

	OP2	Let us go back to our board, present you, present the opportunity. Is it possible for us to come back to another meeting, if-- only if you are in Greece because if you're not in Greece--.
	Di Meo	Sure, I need to leave now anyway, so--.
	OP2	-if you come in a tie, we don't want a meeting.
	Di Meo	I don't think I'll ever wear a tie for the rest of my life.
	OP2	[Laughs].
	OP1	Good for you, a very clever decision.
	Di Meo	It's the upside of having made some money, I don't have to wear a tie anymore.
	OP2	That's true.
	OP1	Perfect.
	OP2	That's true.
00:37:10	Di Meo	But by the way, I'm currently based-- just my-- I'm based in Greece and in Southern Europe from May to October, and I'm based between Dubai and Miami from November to April, so that those are my whereabouts at the moment.
	OP2	I can tell you one thing. We work fast, very fast. And we were set to have a mission to start, you know, taking out the money from Hong Kong. So let us come back to you, it will take us a week, not more than that. I think we have a meeting--.
	Di Meo	Absolutely.
	OP2	-I think we have a meeting on Thursday, right?
	OP1	Yeah, probably, yeah.
	OP2	We have a meeting on Thursday. I'm very impressed, to tell you the truth. I liked those two possible investments. I think we



		might have another person in the meeting in our next meeting, and let us see and then come back to you, okay?
00:38:16	Di Meo	I'll try to take it from a more civilized--.
	OP2	No, no, no.
	OP1	No, no, [...].
	Di Meo	-more civilized location.
	OP2	It's a perfect view. He will like it a lot as well, so--.
	OP1	Yeah.
	OP2	Please stay, please be the same. Oh my god.
	OP1	Great.
	OP2	Life is great.
	Di Meo	Thank you guys, speak soon.
	OP1	Thank you very much, enjoy your life.
	OP2	Sorry for [...].
	Di Meo	[...] nice meeting you.
	OP1	You too.
	OP2	So-- bye, bye.
	OP1	Thank you very much.
	Di Meo	Say again
	OP1	Have a great day.
	OP2	Thank you.
	Di Meo	Bye-bye.
	OP1	Bye-bye.
	Di Meo	Thanks, bye. [Meeting ends]

Date of the meeting: June 3<sup>rd</sup>, 2021

Name and duration of the recording: 20210603\_100445 | 01:13:45

Time stamp	Side	Transcript
00:00:00	OP1	[Meeting starts]  00:00:37 - I'm starting.  00:01:28 - Hello? Hello? Hi, sir. How are you?
	Di Meo	I'm good and you?
	OP1	Fine thank you.
	OP2	[...].
	OP1	Really, I'm disappointed, why I have nothing to see?
	OP2	Yeah. Come on.
	Di Meo	I wanted to have a more easy conversation to understand and explain. So, I left the beach, and I came home to take this video call.
	OP1	I understand.
	OP2	I think we should change locations.
	OP1	Yeah, the view last time was much better.
	OP2	The view last time was much better. You didn't see, but--.
	Di Meo	I'm glad to-- I'm glad--.
	OP2	You didn't see, but the girls that were passing behind. I didn't know what to say, you know. [Laughs]
00:02:19	OP1	By the way, where is it in Greece?
	Di Meo	It's Vouliagmeni, which is Athens.
	OP2	Okay.
	OP1	Oh, I thought it's Nammos or something like that.

	Di Meo	No, no, it's not the time of the year yet.
	OP1	Yeah.
	Di Meo	I'll be there in August.
	OP1	Perfect. Great place, by the way.
	Di Meo	Yeah. It's gotten a bit too expensive and a bit too flashy but--.
	OP1	Yeah. [Simultaneous talk]
	Di Meo	-I've been going to Mykonos for the last 25 years and it's changed a lot. [Simultaneous talk]
	OP1	Yeah, but a lot of girls that looking for the right husband.
	Di Meo	Yeah. Yeah. Good for them. good for them. [All laugh] Good luck.
	OP1	Yeah. Okay. So, first of all, thank you very much for having this call with us.
	Di Meo	My pleasure.
00:03:08	OP1	We had several discussions, and we would like to discuss it with you in order to try to move things forward.
	Di Meo	Sure.
	OP1	We looked at two things, the waste management, we didn't find much, but we have a few questions.
	Di Meo	Yeah.
	OP1	And according to your suggestion, we also looked upon the vessel thing.
	Di Meo	Yeah.
	OP1	And there, we found a lot, a lot of materials and articles. Yeah, I know why you're smiling, I smiled also. We saw that there are a lot of as-if problems, but it's nothing that fears us, quite the opposite. We finding in that a great opportunity for us, and this is exactly the things that we are looking for. So--.

	Di Meo	Yeah.
	OP1	It's not-- we are not afraid of that, we are seeing it as an opportunity. And-- But still, it rised [raised] a few questions that we would like to discuss it with you if it's possible.
	Di Meo	Sure.
	OP1	I think there are things that we read in the articles, in the media, and I think that you know the truth better than the things that were written in the internet because you are there, and journalists sometimes would like to exaggerate or to sell newspapers.
00:04:38	Di Meo	Well, very simply, very simply, the owner and the company have been speaking to the press to give a certain idea to the 7,000 employees and families, that effectively, the reason why the company is in such a situation it's not their fault--.
	OP1	Yeah.
	Di Meo	-which indeed, it is. So, it's the usual scapegoat attempt by the shareholder who is under terrible pressure because he has 7,000 employees, 7,000 families, and the business is being-- it's the fifth generation in that family. There is a big, big pride thing going on against the Grimaldi family, which has been attacking them for the last year few years with fierce competition on the same routes. And so, it's a-- look, the guy, the owner is famous in Italy for being a nutcase, a drug addict, he was investigated in in Florida when he beat up his ex-wife. So, the guy is a nutcase.
	OP1	Okay.
00:05:56	Di Meo	Now, it's pretty clear, to everybody, it's pretty clear from the Facebook posts he put out. I have-- I mean, to be honest, I did deal with some Napolitan, from Naples, entrepreneurs, for example, in the waste management business but-- and I was expecting, everybody warned me that this ship owner was a different level of craziness. And also, in part, it's where I go in

		<p>terms of opportunities. I go where other institutional funds fear, fear for reputation damage, fear for physical threats. Obviously, I don't have a family, wife and kids, so I take this decision to take certain risks more lightly than others would. But that's also part of the opportunity.</p> <p>00:06:54 - Ultimately, I think that-- I mean, usually, 99% of times, things go anyway the way they should go, I mean, if a shareholder doesn't have money to pay the creditors, the creditors in a normal jurisdiction, not that Italy is a normal jurisdiction, but quasi normal, ultimately, creditors take over the company or anyway, dictate the terms of the restructuring transaction. So, obviously, the temperature on this deal has been higher than most of others, and the personal attacks that the guy has made to me have been heavy. But I have large shoulders and I'm used to pressure, and that's where I create alpha for my money and my investors' money.</p> <p>00:07:44 - As you might have seen, the fight is still there. There are these days two Chapter 11 filings on the two main companies. Chapter 11 in Italian is called 'Concordato', so when you read the word 'Concordato', in your mind it should be kind of Chapter 11. Chapter 11 filing on the two main companies, Moby and CIN. The bankruptcy court, at this point in time, will need to decide one of the two things. Option number one, they say, 'You guys have done too many syphoning of assets away from the company, too many bankruptcy crimes so that we cannot allow the Chapter 11, the Concordato, go forward, so, we'll declare a state of insolvency on the company.'</p> <p>00:08:41 - And once that's done, the Minister of Economic Development in Rome will need to name a so-called 'extraordinary administration' to preserve the continuity of the business, and to preserve the employees, mostly. Once-- what</p>
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		that means is that there is a government-appointed new CEO, which will do one of the two things. One is, sell the business as a whole or sell the business in pieces, in a liquidation scenario.
	OP2	What would you prefer? [Simultaneous talk]
00:09:17	Di Meo	<p>Because of the continuity, the territorial continuity between Italy and the main islands of Sardinia and Sicily, I don't think that we will go into a piecemeal liquidation scenario, and also for the job force considerations, which as you might appreciate in Italy it's very-- top in the priority list of the government. So, I think that some form of continuity of the business will happen, but that's obviously not a great scenario for my credits, my bonds, because I will recover, I think, way more than what I'm invested in, because the value is there, but obviously I do not have a say in the restructuring process because the commissioner comes in and he decides what to do. And once he liquidates, as a business, or as a piecemeal liquidation, he will distribute money to creditors.</p> <p>00:10:16 - So, yeah, I would end up in a passive situation where I just recover whatever is recovered and without any active governance in this situation. Scenario number two, which at this point in time I honestly give 50-50 probability between the two scenarios, the Chapter 11 filings are allowed by the court, the Bankruptcy Court of Milan, to proceed. Once they proceed, there are again two options that the court will chase. Option number one, which I think it's more likely, because the family has stolen money left, right and centre and conducted bankruptcy crimes, among which a very dangerous one which could potentially bring to the arrest of the board members and the owner, which is, they've been taking subsidies from the Italian state on the controlled company CIN, and they are taking the subsidies and distribute it upstream to Moby in a situation of financial distress, so, when you distribute dividends in a</p>

		<p>situation of financial distress and then you go in Chapter 11, you have problems as a director.</p> <p>00:11:27 - Not only that, this-- effectively, the public prosecutor in Milan will see as CIN using state money to pay dividends to the controlling company, Moby, which has destructed such money into private jets, a villa in Sardinia purchase, apartment in the centre of Milan purchase for the benefit of the owner and not of the company. That is a very serious crime in Italy, and that might prompt the public prosecutor to have a preliminary house arrest to the owner, which we have seen in other case, similar case in Italy. Also, because this is a very visible case, so the pressure on the public prosecutor will be high to give an example to the rest of Italy when these things happen.</p> <p>00:12:19 - So, there is-- if we go down the path of the Chapter 11, there are two alternative scenarios, one where the court decides, 'Okay, I let the company to go through the Chapter 11 but the shareholder is out'. In some shape or form, they'll perform moral suasion by saying, 'Either you resign, or we'll proceed with a house arrest', things like that. Or in a more legal way, they will just pass a judgment that says that it's an interest of the company to remove the current board and the Court of Milan will name an independent Chief Restructuring Officer to run the Chapter 11 proceedings.</p> <p>00:13:02 - Option number two, they somehow manage to leave the current board and current shareholder in charge of the process. In that case, again, the counterparty in the negotiations will be the current shareholder which, obviously, he would do anything to screw me and the other way around, similarly. So, it's an open battle which will last a few months because this Chapter 11 proceedings, once they are started, it takes 9-12 months to finish off, when in the meantime you have judicial commissioners appointed by court to do due diligence on the</p>
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		<p>company, to do a report to the creditors of 200 pages saying, 'This is the situation, I think you should better off voting in favour of the Chapter 11 or voting against.'</p> <p>00:13:52 - So, all that process starts and, again, it's an interactive process with the court and it lasts a long time. But again, you are as a creditor with a key voting stake in a position of active governance on the situation, and so that's where I would like to be. We'll soon discover and so, depending on that, we can potentially consider an alternative competing plan, Chapter 11 plan, to the one that the shareholder, if he was left in charge, would put forward, where I bring the votes and potentially the money that you might-- you guys might have and we come with an industrial and not only financial plan for the whole thing, that could be appealing to the Bankruptcy Court.</p> <p>00:14:41 - So, that's where the situation stands. And again, the newspapers are not even financially sophisticated or procedurally sophisticated to understand a lot of these things. So, it's not like reading The Financial Times commenting on a UK restructuring or US restructuring where the journalist has minimum understanding of finance and bankruptcy proceedings concepts. In Italy it's just, like, very poor. And so, it's more a gossip journalism rather than anything else.</p>
	OP2	Give me--.
	Di Meo	But any question you might have, please go ahead.
	OP2	<p>Yeah. To be very frank with you, we went through the papers, the ads, got my people to start reading and understanding who's who and who's actually controlling the power. But the most important thing is that we were approved between \$50 to \$70 million to go ahead and work on some deal with you to see how we can leverage it in terms of what is the leverage that we get out of this money, but more importantly is the vessels themselves. Frankly saying, in the end part, for us it's important</p>



		about the vessels. If we can, you know, touch basis on some of the vessels, and we would like to, of course, come to Italy and see them and check them, this is more of an opportunity for us. So, what we see and how we actually went to our management is, 'Okay, we need some leverage money in the beginning to give our person', yourself--.
	Di Meo	What do you mean by leverage money, so that I understand?
	OP2	Leverage money that you will control everything, that we don't put our money in somewhere that we won't see it anymore and--.
	Di Meo	Yeah.
	OP2	-we will be able to benefit out of a), maybe controlling the company, b), having the ability to get our hands on few of the vessels there. That's a very important aspect. For us it's a great opportunity because you know, I mean, there are not that many vessels for sale today, and after the COVID-19, things are picking up and we are looking to expand our vessel capacity right now. So, it's a--.
	Di Meo	In which jurisdiction?
	OP2	I'm sorry? Hong Kong, China, and Japan.
00:17:20	Di Meo	And do you think that-- I'm sure you have seen the specs of these passenger and cargo vessels?
	OP2	Some of them, yes. some of them, yes.
	Di Meo	Some of them are--.
	OP2	Yeah.
	Di Meo	-worthwhile?
	OP2	We identify four that very much appeals to us. You know, it all depends on the sea level, what kind of-- what is the capacity, do they have a cargo capacity and person capacity, so our people

		will go into-- and first thing, we would like to come to Italy and start, you know, looking at the vessels themselves. That's first and foremost. And that could be in this month also. So, this is our goal in this thing.
	Di Meo	And to do that, just to be clear, to do that, you don't need me. I mean, you can just-- you would know where the vessels are, you can just have your people go [...] the vessels, buy a ticket, and-- .
	OP2	[Simultaneous talk] I know that. I know that, but reading some of the articles, we see that you have a lot of power in controlling this bankruptcy or Chapter 11 issue, so we-- yeah.
	Di Meo	Yeah, that-- just, I think I-- I want to be very clear on the concept of negotiating power. I am the largest creditor in the structure, in the controlling company, so even though there is a state credit at the subsidiary CIN, which is bigger, 180 million, but it's unsecured, my €80 million of bonds can have sway in the bondholders' meeting of 300 million, which controls the whole capital structure of the mother--.
	OP2	So, you hold personally 80 million out of the 300?
	Di Meo	Yes.
	OP2	Okay. Okay.
00:19:15	Di Meo	So, that gives control in the process to the extent, I have a cooperating debtor company that I can cut a deal with. For craziness reasons because the guy is a fucking nutcase who wakes up at 1 pm every day, he sniffs coke and gets drunk, and that's unfortunately the guy--.
	OP2	Okay.
00:19:45	Di Meo	And he is not in the business, but he's still-- the son is a CEO, but the son is an idiot like a piece of wood, I've met him a few times, he cannot distinguish a cat from a tiger, I wouldn't let

		<p>him run a pizzeria, let alone a complex shipping company. The problem is that the son cannot touch anything unless the father gives the okay, and the father is in a mental state that again, I've described, and I mean, if it-- now, certain Facebook posts I managed to get the public prosecutor to take them down, but the guy is-- was, I mean, I can also show you, ranting stuff, thinking that's-- behind my money there is Grimaldi that wants to make him go bankrupt, which I assure you not, because if that was the case, then I would have not even sit down at the negotiation.</p> <p>00:20:44 - So, it's completely-- it's a complete nutcase because 99% of the shareholder at this point in time, they would have understood very clearly that there was only one thing to do, sit down with me, cut the deal and then force all the other creditors to take the deal that we have decided, and the game was over. And I'm a financial investor who's only after money, making money, so it was very easy because I had no industrial angle on the situation. So, it was the dumbest, simplest thing to do. And because he cannot accept the concept that I put him in a corner by filing a bankruptcy request two years ago, which has then determined the liquidity squeeze, the necessity to file for Chapter 11 and so on, in my request to partially govern the company, he cannot accept that, and that's why he is gone in all sorts of directions which made no sense, because he's still looking for a financial investor which you might have read, it's called 'Europa Investimenti', who have never done a deal of this type, it's-- I have never seen them in my market space. And they are so stupid themselves that they did negotiate with an out-of-the-money equity shareholder instead of going to the largest creditor that, in a Chapter 11, determines the vote of the restructuring. So, it's wasted--.</p>
	OP2	Which is you.

00:22:13	Di Meo	<p>Yeah. Which they wasted so many months, this thing could have been done one year ago. So, again, going back to the negotiating power, in 99% of the situations this deal would have been already done, if the guy was 10% rational, not 50% rational, 10% rational. He is a nutcase, so my hope is that-- because now he has a personal vendetta against me because he sees me as the guy who created this plot to take over the company and have his family being moved on the side, which is also from the documents not true because the last offer we sent was an offer where he was kept in control of the company, with my — in operational control — with my oversight, with my men, financial director, head of legal and so on, but I was telling him, I was giving him a deal where it says, ‘You keep-- I get what I want financially, you keep operational control of the business, but I control what the fuck you do. And if you don’t meet the business plan, then I take over also operational control.’</p> <p>00:23:26 - So, he was given a bigger than life chance, which in 90% of the other restructuring deals, shareholders have not given, so the guy is completely nuts. Now, if the Bankruptcy Court of Milan does something from a moral suasion standpoint or legal standpoint to push him aside, then yes, definitely the new board would have-- would first turn to me, and I have the negotiating power that you mention. Or if the guy just realised that after having taken all the wrong decisions-- but he’s gone so far down the road by filing lawsuits in New York, he’s been shooting left, right and centre. He’s-- I mentioned you last time, he’s even filed a criminal complaint against me on the basis that my way of negotiating is an extortion just because I don’t accept his offer.</p> <p>00:24:30 - So, I was like-- he made an offer which was basically, I take a partial write-off and he controls 100% of the company. We said no as a bondholder group. And then he went</p>
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		to the court and said, 'Oh, this guy is extorting me'. Obviously, I had my criminal lawyer go to the court and the public prosecutor said, 'You don't have to worry about it, we know that the shareholder is a nutcase, and he is trying to put pressure on your guy because he thinks that ultimately, finance people care about reputation, and they will cave.' So, but that's what-- that's the situation we are talking about, so it's a fluid situation where I need to gain that negotiating power that you are talking about only at the point where this guy, somehow, is put on the side by the court.
00:25:19	OP2	Assuming you have us behind you, what will-- in terms of money, and what will tilt over your position in the court? If you can say you have this amount of investment, or we can take this amount of--.
00:25:34	Di Meo	So, what I would do, what I would do is, in the eyes of the Bankruptcy Court, for a competing plan to be attractive, forgetting the vote dynamics, I need to show up-- I have not thought about it, but, like, my instinct would say, if we can show up with a plan which has your new money and maybe I put some more money myself in, which is, let's say, an equity capital increase in the company in exchange for the creditors to take a massive write-off. And I will say yes to that massive write-off because I will be more than compensated in the new structure, but through my 'yes', I can force the other creditors to take a massive write-off. And then we also say there is already a disposal plan, let's say you have four vessels that you really want and I can say we already have a bid on four plans which also finance the recovery of the creditors after the massive write-off, so we show up with a plan where we take over the equity, we split it in some way of-- we have to create a capital structure that makes sense for me and for you guys. And so, we have an equity deal in the old perimeter, and then we also have the advantage of taking out from the old perimeter four vessels

		at a full price, or in the eyes of the court, we are also getting additional cash with--.
00:27:06	OP2	But how can I make sure that we will have the opportunity to buy those four vessels? Assuming we wanna put our hand on it--.
	Di Meo	Because it would be part of the plan. Would be the part of the plan. So, I-- and as I said, we need to look into the details and we need to do the work and so on, but ballpark speaking, if I can go to the court and say, 'I have a financial and industrial backing', obviously if we put you the industrial hat, it's gonna be much more appealing to the court. They will, obviously just so you're clear, they will want to understand exactly who you guys are, who your ultimately source of fund is, the credibility, because if they smell something fishy, they will not allow it, and that goes beyond the law, it's about perception. And there will be people in Italy on the press that will say, 'Oh, the Chinese are coming--.' I don't know again, I think you said to me it was a Chinese man in this case.
	OP2	It's a Chinese, yes. Chinese man, yeah.
	Di Meo	Chinese [...]-- yeah. So, I mean, Chinese have already bought some assets in Italy, they made a bit of a mess with Milan AC football club, they're being a bit of mess-- they're doing a bit of a mess with the Internazionale football club, so it's--.
	OP2	But Di Meo, you know, it's not a company that it's crystal clear.
	Di Meo	No, I understand.
	OP2	We are here because it's in distress, so, I mean--. [Chuckles]
	Di Meo	Yeah, yeah, yeah.
	OP2	Yeah.
00:28:36	Di Meo	No, no, I already warned you-- not-- I mean, I'm sure you do understand the dynamics, but Italy is one of those places where-

		- again, there will be people fighting against me and you and they will use this kind of arguments. Now, so, ballpark speaking, what could be attractive to the court and potentially also to have some other support by other creditors to vote the plan is one where we put fresh money in as a capital increase so we preserve the jobs. We have, as part of the plan, a disposal plan of X number of vessels at a fair market value, which we already know what the fair market values are because there was a-- as part of the Chapter 11 filings, there was a third party appraisal by a Bocconi professor of liquidation value and fair market value of the vessels. So, we know where the benchmark is, so if we can show [...] say, 'We're paying 10% more than fair market value and we are getting you the cash', so that's an attractive plan to the court.
	OP2	Okay.
	Di Meo	So, that kind of plan--.
00:29:48	OP2	In terms of shareholding, in terms of shareholding, we need to come back to our, you know, customers and say, 'Okay, we got the right person.' And they asked us a lot about, you know, 'How can you make sure that any injection of money can be controlled by Di Meo?' 'How can you-- what is the structure that actually Di Meo is holding to make us confident that this money of course, you use it as leverage, but how we can make sure that this money is for our benefit in terms of first investing in a company for its continuation, and then the next stage in a year from now, addressing the sales of the vessels themselves?'
	Di Meo	So, just to be clear, the sale of the vessels it's easy because we would go in, and as part of the plan, it would be a firm bid on the vessels. And once the plan is voted, the court will release the first [...] mortgages on those four vessels, five vessels, whatever they are, and the transactional sale goes through automatically

		as part of the homologation by the court of the Chapter 11. So, zero--.
00:31:00	OP2	But we read an article, I don't know, we read another article, I don't remember-- wait, one second, it was something about another company that wanted to buy, and you were actually holding it. So, I was very happy to see it because if you--.
	Di Meo	No, no, no, no, wait, wait, wait--.
	OP2	-if you are holding it and I'm-- and I bring the money, then I'm in a good position. [Simultaneous talk]
	Di Meo	No, no, no, no. Wait, wait, wait, wait, wait, wait. Very different situation because DFDS, the Norwegian company that wanted to buy two vessels--.
	OP2	Yeah, Norwegian, yeah.
	Di Meo	-not for cash, but for exchange of vessels plus cash.
	OP2	[Simultaneous talk] Okay, okay, okay. Now I understand.
00:31:54	Di Meo	Was-- buying the vessels at good prices, the problem was that the proceeds from those vessel sales would have gone to the bank, not the bonds. So, it was not in my interest for the company to get cash to keep going and pay down the banks, and then I would have been left at the end of 2023 with no vessels left and a big credit with the banks having gotten out in the meantime.
	OP2	Understood, understood.
00:32:23	Di Meo	So, it was our-- so, we filed insolvency request, the bankruptcy request in September 2019 because also, we wanted this transaction to be stopped so that our position between the bond and the banks would have been equalised--.
	OP2	Understood.



	Di Meo	-and not only equalised because we have more bonds than bank debts, we can outvote the banks in the Chapter 11. So, I was stopping the bleeding of the cash, going to the bankside of the bonds and I was gaining, negotiating, leveraging the Chapter 11 because the bond is bigger than the bank debts. So, that was the double purpose. So, back to--.
	OP2	Does UniCredit have any bondholding as well? No, it just has the debt?
	Di Meo	No.
	OP2	Okay.
	Di Meo	Only the debts. And they are, at this point in time, they more care about the situation going without insolvency because they will have responsibilities for a number of reasons. So, they are looking at the file from a legal standpoint, not from an economic recovery standpoint, which is a good thing usually, if you want to cut a good deal--.
	OP2	Yeah. Yeah.
00:33:33	Di Meo	-because you don't really care about the recovery. Now, so, the vessel sale is not a problem, you will get your own lawyers to say that and that's-- I'm not concerned that you will not get comfortable because it will be part of the plan, in instantaneous transactions, and at the moment that the homologation by court of the Chapter 11 plan is done. With respect to the controlling of the remaining perimeter, then obviously, I would envisage a situation where, from a governance perspective, we would go in-- look, I don't know if you bring to the table any operational angle that can be used or I need to go and find the ex-CEO of a competitor to govern the remaining perimeter because that will be something that the court will look at with a lot of interest because the court cares about the creditors' voting in favour of the plan, but also that six months later, after the homologation,

		<p>the company doesn't go bankrupt again, because then the court itself has responsibilities.</p> <p>00:34:55 - So, I would say the governance that we have-- let's say we have a 50/50 governance of the equity, I contribute some credit and some preferential recovery of the prior credit, you contribute some fresh equity, let's say that we start from a 50/50 standpoint of partnership. And again, if you think you can bring an industrial angle, and so you want more operational control, I don't have a problem with it--.</p>
	OP2	I tell you quite frankly, we're not that familiar with the vessel industry in Italy. And from what I'm reading, it's not an easy path, mainly managed by those two companies, Grimaldi and--.
	Di Meo	Yeah.
	OP2	-Moby, and we don't know Grimaldi.
	Di Meo	Yeah.
	OP2	But from what we read, it's not an easy competitor. So, I can tell you right now as we speak, getting you the advantage in terms of financial, bringing you the money to get the leverage, this is one thing we can do. And the other thing, as I mentioned, we want to address those four to five ships--.
	Di Meo	Yeah.
	OP2	That's a second stage. How-- you know, seeing the business and going into the business and running it with our help, what we do in China, Hong Kong, and Japan, it can be done, but it's not something that I'm thinking right now, we can discuss it--.
	Di Meo	[Simultaneous talk] Okay. Okay.
	OP2	We can see, understand what is the turnover, with a lot of subsidy, fees there. I don't know if the routes are profitable or not, so we need to really evaluate--.

	Di Meo	Yeah, yeah. Fine, fine. Yeah, fine.
	OP2	-really evaluate how profitable this business is.
00:36:50	Di Meo	<p>But the base case is one where we would need to bring in an experienced Italian CEO, possibly an ex-- I've been in touch with a couple of ex-CEOs in the competing businesses, to actually take over the operational control. Or, you know, there is also a scenario where, if the family comes to terms and the father decides to go away, and-- then we could also consider at some point some form of operational control together with them. Because look, the reality is that they are doing quite well in terms of ticket sales at the moment.</p> <p>00:37:43 - I think it's-- they've been suffering from the competition from Grimaldi that wanted them to go bankrupt, but once we saved them from bankruptcy, I don't think Grimaldi will keep going. So, there is a scenario where-- with the father out because he's a crazy guy, and a lot of tutorial to the son, we can still have the current management infrastructure in place if we don't succeed in bringing in an external CEO with experience in the sector. So, I think starting point-- we leave all the options open. I think that between my creditor rights and the new money that you would bring in and the backstop bid to the vessels, I think we would have a lot of leverage in the process.</p>
00:38:37	OP2	<p>Tell me, how can we make sure-- I think I've asked this question before, and I've been wondering. How can we make sure you control the creditors? How can we-- you know, the bondholders. I know, you know, you hold it in Sound Point Capital and it's yours, but I don't know--.</p>
	Di Meo	I have a notary statement, I have a notary statement from a month ago that's from an English Savills notary, that states clearly that under my direct or indirect control, I have that amount of bonds.

	OP2	So, this is the bonds of Sound Capital, right?
	Di Meo	No, no, no, it's outside Sound Capital.
	OP2	It's outside, I see, I see. So, if you control the bonds, if you control-- you have control, and we would like to see some indication of that. If you control the bonds, then we feel safe in understanding that, okay, the court can decide A or B, whichever it is, but if it decides to our part, then it's a very easy way to take over and put our own CEO and our own restructuring, etcetera.
	Di Meo	Yeah, it's never gonna be an easy way, just to manage your expectations. It will be a prolonged process where we need to put forward with advisors a competing plan. I say a competing plan competing against the company plan, in case the company plan goes into a direction that we don't like, which I assume that's the case. So, it's going to take a lot of work and a lot of massaging with the right advisors in the Court of Milan to put forward our case, to explain it well, to make the judges understand that it's an interest of the creditors and the employees. So, it's a long process. And ultimately, yes, we-- yeah, we need to work in that direction, but it's not just like [snaps fingers] this, so, it's a fight that--.
00:40:47	OP2	And can we be sure that your other, you know, the representing of all the bondholders that currently have-- accredited with the company, you are the only-- you have the only mandate to actually do whatever it is with the bondholders?
00:41:07	Di Meo	Well, I have the mandates on the bonds I control. [Chuckles] So, on 80 million out of 300. You need to get to-- so, I can stop any other bondholders-driven plans, I would need to have 50% of the bonds to force my plan onto others. As you know, I've been coordinating with other hedge funds in the past, they are not the best partners because they are very scared about reputation, so every time the shareholders was filing a complaint, they were,

		<p>like, 'Oh, we need to close this deal soon, let's give to the shareholder what we wants', which is not the way I negotiate, that's not the way I protect my investors' money and my money.</p> <p>00:42:04 - There is a lot of my money in the €80 million. So, that to say, that once we have a plan, if it's the right plan, we will go to maybe those two, three creditors that I need to make sure that there is no fuckup in the execution process of the restructuring. But before we do that, first we need to have a plan. And to have a plan, we need to be in the scenario where the court doesn't declare insolvency but declares prosecution of the Chapter 11 proceedings. And then we need to see under which format, if with the driving seat to the current shareholder or they do something to overturn the driving seat and to put some third-party Chief Restructuring Officer in it, which would be my favourite.</p>
	OP2	<p>Di Meo, last question on my side. What is the amount you're looking at this morning, to start proceeding? In terms of investment in the company, to say that you have--.</p>
	Di Meo	<p>Well-- say it again? You say that I have--.</p>
00:43:17	OP2	<p>Assuming we have, as I told you, we're giving the authorisation to invest or to put in deposit a certain amount of money for your team, for the bondholders, to say, 'Okay, we--.' to the court, 'We would like to invest this amount in order to heal the company.' And what is the amount you're looking at for such investment?</p>
	Di Meo	<p>Well, we need to be very clear about which amount we refer to and let me explain. Because if you-- I don't know which vessels you have looked at, but let's say that they are the largest, more valuable vessels, I don't know, they are usually €70 to €80-90 million each. So, let's say that you're not talking about that money. So, if you're after those vessels, the scheme would say</p>

		something like this, the consortium between us puts-- I'm talking to the court now.
	OP2	Yeah.
00:44:23	Di Meo	I would go and say, 'I put, let's say, \$70 million through my investors', you guys, 'as an equity increase into the restructured Moby-CIN after the creditors accept to take-- to write off X, Y, Z amounts.' On top of that, I already have bids from the same investors on these vessels of-- let's say the fair market value is €300 million, I come in at €350 million and that gives certainty of recovery in the plan of certain amounts to creditors. So, when you don't show up in two different moments in court, when you show up you need to have a closed bulletproof plan with commitment. So, if you're asking me-- again, I don't know which vessels you have targeted, but in the current situation I think that \$70 million for the equity capital increase to control the remaining perimeter and a premium, even a small premium, 10%-15% on the fair market value of the vessels you target, that is the money you're talking about.
	OP2	Okay. I mean, that's--.
	Di Meo	Where-- just to be clear. Where, just to be clear, the four-five vessels, they come out of the perimeter, and they go in your perimeter wherever you want, and you do whatever you want with those four-five vessels.
	OP2	That's exactly my plan. They were asking me why between 60 to 70, I said, 'Listen'-- because the previous investor, there was an investor who actually offered another 60 million, I said, 'Okay, let's offer \$70 million for restructuring and maybe get a discount, later on, on the buying of the vessels through the \$70 million.' So, it will give me a compensation onto the buying of the vessels themselves.
	Di Meo	Yeah.

00:46:33	OP2	So, it will give you and the bondholders leverage into the dealing itself, whether the court will decide to put in a CEO in replace or not, we would have to work it out. But really, it will give me a leverage into the next step in line into the acquiring of the ships.
	Di Meo	No, no, but just to be clear. You're talking-- I'm sorry if I'm a bit specific and I want to be crystal clear with you guys because you're not part of my sector. And so, I understand that certain things for me are obvious, for others are not, and I really care about my potential partners to understand very well what they're going into. When you say 'the next step', to me it's the same step. There is no subsequent because we would go to court and say, 'Dear court, we, as a consortium, put in \$70 million in equity capital increase in the current structure. As part of the same plan, we would be--.' At the moment we put in the \$70 million, we instantaneously take out four vessels, five vessels at this price, so they come out of the perimeter the same day, so to speak, when you put in the \$70 million in equity in the old structure, subject to creditors accepting a certain write-off. So, the advantage of this is that there is fresh equity in the remaining structure for the continuity of the business. There is already a good recovery on four-five vessels because we're offering a small premium to fair market value. Now, between me and you, the fair market value of the third-party appraisal is very low because it's always in the interest of the debtor to show the court low levels--.
	OP2	That's right, yeah. Yeah.
	Di Meo	So-- again. So, when I talk about 10%-15% to fair market value of the report is a price which is below real market value--.
	OP2	I understand.
	Di Meo	In my opinion, for my experience.

	OP2	I understand.
	Di Meo	So--.
00:48:37	OP2	But if you talk to fair-- if you're talking about fair market value, bear in mind that we actually put in another 60 to 70 million into the restructuring. So, for us the overall cost is gonna be the--.
	Di Meo	No-- yes, but you are going to get a return on this \$60 to \$70 million. I will--.
	OP2	[Simultaneous talk] How is that?
	Di Meo	So, your-- well, because we will control the equity of the remaining perimeter, where there are a number of other vessels in the business continuity. I will never cut a deal where we throw money down the toilet on the existing perimeter because I, as a creditor, Antonello, I need to recover from that perimeter-- I mean, we can do side deals and stuff like that, but what I'm saying is that I'd like to cut a deal where you buy the vessels at an attractive price without an auction, which is important, because through this structure we are avoiding an auction because that's what's gonna happen--.
	OP2	Yeah.
	Di Meo	-if there isn't-- so, we avoid the auction, so you secure the supply. At that premium fair market value which is probably a discount to real market value. And on top of that, I will craft a deal where the \$60-70 million, they have a return, so they will make money in the process. So, obviously we need to look at values and business plan and so on, but it's not money down the toilet.
00:50:09	OP2	[Simultaneous talk] Let me ask you another question that we were asked. How about buying the other bondholders? You say you have 80 million. We can--.



	Di Meo	Yeah.
	OP2	You know, there is another \$220-million bondholders. How about buying majority so both of us can create a one-pack into the court itself?
	Di Meo	That lowers the execution risk of the voting system only if we had in a situation where the court will not declare insolvency but will allow the Chapter 11 proceedings to go through. I think that is something that we can craft very carefully because you know how hedge funds are, if they smell that there is a buyer, then the price doubles.
	OP2	I see.
00:51:04	Di Meo	So, I think we need-- if you want to go down that direction case, we want to make sure that the execution risk is even lower, we can orchestrate that. It takes what I call 'art' from a trading perspective, which is my business, but I think we can get to that point. I just want you to spend potentially the least amount of money for potentially buying the bonds so that we then have more recovery for the upside. Because let's say you use-- okay, let's say we want to buy €70 million of bonds, face value, to secure the vote in a Chapter 11 proceedings and so on without any doubt. Let's assume that we have to spend 50, 60 cents to buy the bulk of bonds in one go, that's gonna cost €35 to €40 million, so we are already using-- it's a good investment, but what I'm saying is that obviously, I assume that those €35-40 million come off from the ticket of 70 that we were discussing before. So, I assume that it's not on top.
	OP2	I lost you, I'm sorry. Di Meo, I lost you.
	Di Meo	You lost me in terms of--?
	OP2	No, no, I lost you in thinking. [Laughs]

	Di Meo	Yeah, no, okay, fine. What I'm saying is that if you have, let's say, 70 million to play with--.
	OP2	Yeah.
	Di Meo	-on top of the vessel purchases.
	OP2	Of course. That's what I said before.
00:52:59	Di Meo	Okay. I think that we have two scenarios. One is, we try-- maybe those are subsequent scenarios. First, we try-- I play my games with the others to try to buy them out and secure the 50% that we need to be 100% sure of the voting. So, that means buying another €72 million, something like that, of face value bonds--.
	OP2	[Simultaneous talk] So, 72 will give you \$152 million in bondholding.
	Di Meo	Yeah, we need to get to 150, to have certainty--.
	OP2	Sure.
	Di Meo	Meaning that we don't need to ask anybody else for the vote. To buy €72 million, assuming-- obviously we need-- I have an-- so, let's say I have an interest for you to spend-- for us to spend the least amount of money possible.
	OP2	Yeah.
00:53:58	Di Meo	So, let's say for now that being general, so to speak, we spend up to 50-60 cents on a dollar on €72 million. That means investing let's say \$35 to \$40 million-- euros, euros. €35 to €40 million to purchase those bonds. Now once we have all those bonds, let's assume we still want to create a plan in the eyes of the court where there is fresh equity in the perimeter, probably we still have to come up with a check of at least €40 million to the court. So, I'm trying to keep as-- the 35 to 40 plus 40, so you don't spend the 70 we talked about, you probably spend 85, but

		obviously you have much more upside because we have more bonds, so.
00:54:53	OP2	So, let me try to understand, to summarise what you said. Assuming we buy-- we get a majority of votes with regard to the bondholders--.
	Di Meo	Yeah.
	OP2	-which is around \$70-something million-- million euros, is that correct?
	Di Meo	Yeah, euros. Yeah.
	OP2	In addition, you would like another €40 million to invest in the court. Does it come out of the 70 or it's an additional? Because frankly saying--.
	Di Meo	No, no, no.
	OP2	-[...] this 40.
	Di Meo	No, no. It comes out-- so, what I'm telling you is, you can spend money two ways on top of the purchase of the vessels. So, that's a constant in the scenarios. So, the purchase of the vessels, depending on the vessels you choose, has its own way-- its own money. On top of the purchase of the vessels' money, there are two ways we can play with. From a negotiating and governance standpoint, the best way would be, I try to line up enough bonds, I obviously-- I worked in investment banks, I know people have been trading these things, I know who own the bonds, I know-- this is my job, to make sure that I buy bonds at the lowest possible price. We try to line up enough bonds to control 50% and then to also get the new equity of the business. We spend some-- less money than 70, let's say 40, so we spend 35-40 million for the purchase of the bonds, and we spend, let's say, 40 million in the equity capital increase--.
	OP2	Understood.

	Di Meo	-in the restructuring vis-à-vis the court.
	OP2	I understood.
00:56:39	Di Meo	So, in total, in total, instead of spending 70 all in equity, we would-- and then we would still need to get-- okay, I'm the largest creditor, so I [...] this way, but we still run some residual execution risk in the restructuring. Instead, if we were capable to spend €35-40 million in purchasing enough bonds to secure the 50% majority, and we spend another, let's say, €40 million in--.
	OP2	In restructuring.
	Di Meo	-what was before 70--.
	OP2	[...].
	Di Meo	-the restructuring, that is the best situation because you control the vote and then you just put €40 million in equity. That is key for the court that's-- because they don't look at you as buying the bonds as being-- it's like, if you have the bonds, I have the bonds, or another fund has the bonds, it's not money to the company from--.
	OP2	They don't care.
	Di Meo	-from the court's perspective. So, to create the asymmetry to reduce the creditors' recovery to the maximum we can, so that our equity investment is worth much more in the remaining perimeter, we need to put some fresh equity in the plan.
	OP2	Into the company.
	Di Meo	I think that 40 is a number which is small enough not to be too worried about, and you can probably recover elsewhere, but big enough to make sense to the court.
00:58:09	OP2	What is your estimation that the court would give us-- would actually take out the owner out of being a CEO?

	Di Meo	<p>Look, I think-- look, well, I would say, first, once-- if we were to have 50% of the bonds, to be honest it doesn't matter anymore because then, there is no way for him to go around me in any shape or form. So, clearly, the bond buying reduce further any negotiating leverage of the shareholder, even if the court allows him to stay in charge of the restructuring process until homologation. In terms of timing, it's very difficult to second-guess when a judge will decide. I think there is only one way to do, it's just to wait and see and react promptly. I would say the other thing which we can-- if you are convinced about, and again we can start sharing some documents like the third-party appraisal--.</p>
	OP2	Yeah.
	Di Meo	<p>-the business plan presented and all of that stuff.</p> <p>00:59:23 - I need to be careful because I signed an NDA some time ago, so I just wanna make sure that I don't infringe any confidentiality obligations and so on. But the one thing that it would be anyway very powerful is having at least the bond buying money into some escrow that I can then direct trader at Morgan Stanley to buy -- it's like-- I would need to-- for the bond buying, it's not that you go to the market and you buy the bonds, you will never get to the levels you need. I need to go to the three, four other bondholders in a group and saying, 'I know you guys are frustrated', I'm gonna take this owner for the next two, three years in legal challenges, I'm gonna scare them out in a way. And then I say, 'Look, if you want out and I give you some profit on the current mark of the position you have, you're out and I'll take the bonds, and I will keep the fight on my own.' That is the dynamic, the only dynamic I see through which we're capable, in one shot, to go and buy the residual bonds that are needed to get to the 50% threshold.</p>

	OP2	Di Meo, it sounds like a plan to me. But I need to-- and of course, all the legal and everything, once the legal goes in, then you have other issues that will raised from here to nowhere. But--.
	Di Meo	Yeah, yeah, absolutely.
	OP2	In terms of escrow, when is the-- what bank would you like us to put the escrow amount? And how do you work with escrow account?
	Di Meo	So, I think the right way for you to do that, because I put myself in your shoes and as I said, I've worked only in London, in Anglo-Saxon firms, so I--.
	OP2	No, I'm asking whether UniCredit does--.
	Di Meo	No, no, no, no, no, no, no.
	OP2	No? Okay.
	Di Meo	Forget that. Forget that.
	OP2	Okay. That's--.
	Di Meo	So, the purchase--.
	OP2	That's why I was asking, I said--.
	Di Meo	No.
	OP2	If you're gonna say 'UniCredit' then I have a problem.
	Di Meo	No.
	OP2	Okay, good.
01:01:36	Di Meo	No, the way it would work would be the following. My trader, trusted friend is at Morgan Stanley. I know the global head of the business, he's Italian, he's my brother. We've been buying these 80 million together. So, the way I would do it is, first, I would need to cut the deal with the hedge funds, which I don't need Morgan Stanley for. So, once I've cut the deal with the

		<p>hedge funds, I will say, ‘You will receive technically the bid from Morgan Stanley’ then I need to get the money to Morgan Stanley, it cannot come through you, clearly. I have a broker dealer that I use, so I usually-- let’s talk about my money, how I do it. I have my broker deal-- I have a broker dealer in London that has a trading line with my trustee, my bank, and so, from my bank to-- the money goes to the broker dealer who is just an agent, so he doesn’t own the money in between, but he gives-- because he has a trading line with Morgan Stanley, he gives the bid to Morgan Stanley. Morgan Stanley gives the bid to the hedge funds, and so that’s the chain.</p> <p>01:02:53 - Now, for me to give the order to the broker dealer that then gives the order to Morgan Stanley, I need to have an escrow with-- I use a trustee that I trust for many years, who has all my money, so we would need to put the money-- the trustee is based in Isle of Man, so UK jurisdiction but very flexible, very private, which I like, and I’m sure you guys like. So, he would create-- and this guy manage billions, so me as a client with few tens of millions, it doesn’t move the needle for him. So, that is a guarantee for you, guys. So, he would set up a client account in Royal Bank of Scotland or Barclays, these are the two banks he works with.</p>
	OP2	Okay.
01:03:50	Di Meo	Or the-- yeah, these are the two banks he works with. So, he would set up a client account, the client account is an escrow account, we will write an escrow agreement so that we are, with your lawyers, 100% sure that--.
	OP2	Sure. Yeah, yeah.
	Di Meo	-the money is not going anywhere. So, the money goes-- the escrow agreement will say, ‘I’m transferring this amount of money into this escrow account, client account of this famous trust company that will only be used under the direction of the

		portfolio manager--', which would be me, to-- 'only for the purpose of purchasing--.'
	OP2	The bond?
	Di Meo	'-these bonds at a maximum price of X.'
	OP2	Understood.
	Di Meo	That's--.
	OP2	[Simultaneous talk] I've done it before, and totally understood.
01:04:37	Di Meo	So, the trustee then has the money in the client account, then once I give him the direction, give a bid to the broker dealer on these bonds at this price, the broker dealer will give the bid to Morgan Stanley, and Morgan Stanley will buy the bonds from the hedge funds.
	OP2	Di Meo, I'm terribly sorry, but I see that I'm running out of time because I have another meeting. I would like to send you the four-five vessels that we are interested in.
	Di Meo	I'll tell you what the fair market value is.
	OP2	Yeah. Can you tell me the fair market value for that?
	Di Meo	Sure. Sure.
	OP2	So, I can come back to you and say, 'Okay, these are the four vessels, these are the steps that we would like to take, and let's see how we continue from here on.
	OP1	Yeah.
	Di Meo	Okay.
	OP1	I would like to ask something. We saw that Sound Point Capital, they are also a bondholder in this--.
	Di Meo	No, no, not anymore. Not anymore.
	OP1	Not anymore? I understand.



01:05:32	Di Meo	<p>So basically, just to be completely transparent, which I am, and I cannot be otherwise, but-- so, when I worked at Sound Point, they were exiting the European business in the last two years, they were still involved in some investments with me that I've done for them very profitably. And we put on what's called a 'trading position' in Moby, so a single-digit exposure. At that point in time, I didn't invest my money and my family office money. We put on a trading position because a bondholders committee was being formed, so that I would go to the people who were buying bonds and say, 'Look, we are small, but you know that I'm probably the most good or bad and renowned Italian distress investor in this kind of situations. So, maybe I don't bring many bonds for the vote, but you have Antonello Di Meo that you can use.'</p> <p>01:06:35 - And the way I sold it to Sound Point was, 'Guys, let's put two-three million market value at risk. You have a free option that if they allow me in the committee, then if there is a new money deal, let's say, 200 million super senior, which Sound Point was very eager to do because it just raised a lot of money for those kind of business, at least we have a right to first refusal because we will see the deal first. That's why Sound Point initially was involved, they signed a bankruptcy petition. And then, when it was clear that I needed to leave and I took a view on the situation, that's when I exited Sound Point first, they sold the trading position because I was not there anymore, and then I put my money and family office money to purchase the bonds after I exited Sound Point. All of this, the shareholder doesn't know. Obviously, there is no fucking incentive for me to tell my counterparts all my big personal business.</p>
	OP2	Yeah.
	OP1	Yeah, of course.

01:07:41	Di Meo	So, when you see in the press that he filed in London insider trading charges against me, that's because he thought first that Sound Point had a big position and that's why the other hedge funds were letting me to drive the seat-- in the driving seat in the negotiation. That once I exited Sound Point, I traded from Sound Point to the new investors the position--.
	OP2	I see.
	Di Meo	-but there was no position. So, obviously that's part of-- when I say 'the art of trading and theatric' is-- now he believed that, which is absolutely not true, and that's why he shot in the dark the insider trading charges. Which, by the way, even if it was a Sound Point position and I traded him to a new investor, when the trade happened, I wasn't in possess of any confidential financial information because after three-four months [...]. [Internet disruption] [...] to scare him out then go [...]. [Internet disconnects]
	OP2	We lost you.
	Di Meo	Hello?
	OP1	We lost you in the end.
	Di Meo	Alright.
	OP2	Yeah, we lost you in the last part.
	OP1	Last [...].
	OP2	Last minute.
01:09:27	Di Meo	Yeah. So, the last-- the long story short is, Sound Point is out, has been out for almost a year now--.
	OP2	Good.
	Di Meo	There is nothing. They know that I'm involved, so I've been transparent with Sound Point, so it's all crystal clear.

	OP1	I understand. Another small question. I'm a true believer about learning from the past about the future. Why up until now, the restructuring agreement was failed, actually?
	Di Meo	Say it again, sorry? What happened until now?
	OP1	The restructuring agreement was failed about--.
01:10:04	OP2	What was the cause for the failure of the restructuring agreement?
	Di Meo	The reason why we haven't done a deal is because the shareholder wanted to do a deal where he kept all of the equity-- .
	OP2	He kept all the shares, yeah.
	Di Meo	All of the control. We took a write-off, and he found a financial investor, Europa Investimenti, to put in the money and to make three times their money at my expense. So--. [Chuckles]
	OP1	I understand.
	OP2	Yeah.
	Di Meo	Fuck yeah, that's why he can go fuck himself.
	OP1	Yeah. You're absolutely right.
	OP2	As we say in [...], vaffanculo. [Italian: Fuck off]
	Di Meo	Esatto. [Italian: Exactly]
	OP2	Di Meo, thank you so much. Terribly sorry we have to cut short.
	Di Meo	You're welcome.
	OP2	You'll receive from us in the next week the four vessels that we are interested.
	Di Meo	Yeah.
01:10:52	OP2	Give me an estimation. Let me see, and we will actually, with your help, let us know where are they positioned so we can come to Italy, our people, we need to get three or four engineers

		to come to Italy. Just, you know, have a look around at the vessel--.
	Di Meo	Yeah.
	OP2	-go up and check, you know, the bits and bites of the vessel itself.
	Di Meo	Yeah.
	OP2	This is very important. It will take not more than a week or two to do that.
	Di Meo	Yeah.
	OP2	Once this is done and we get the okay, then let's sit down, let's meet somewhere in Europe--.
	Di Meo	Yeah.
	OP2	-and discuss how we can actually proceed with the, you know, whether positioning us in a bondholding or you know, injecting money into the company in some way or form.
	Di Meo	Yeah.
01:11:47	OP2	I want to get my legal into understanding better what are the-- what is the situation in terms of what are the possibilities for the court to make a decision that is gonna be--.
	Di Meo	Sure.
	OP2	-against our side. So, we are in the beginning of June. I'd like to start understanding a better way in investing towards mid of July.
	Di Meo	Yeah.
	OP2	Does this sounds okay to you?
	Di Meo	Yeah. No, the only thing I would speed up if there is interest is potentially the line-up of the bonds because I think the games will be done, at least in terms of-- it it goes down the Chapter

		11, the Concordato route, then the company will immediately engage with the bondholders. So, again, that is the only thing that-- we don't want--.
	OP2	I understand--.
	Di Meo	-the other bondholders to go further down the line and then they raise the price because they see the light at the end of the tunnel.
	OP2	I totally understand, but please understand our side. I need to get my hands on the understanding of the ships.
	Di Meo	Absolutely. Absolutely.
	OP2	Once this is done and I get the confirmation that this is what they want and we get the go-ahead, then it's a much easier route--.
	Di Meo	Yeah, yeah.
	OP2	-to say, 'Okay, now how much it is?' and what financial, you know, structure should we buy into and how to do that.
	Di Meo	Yeah. Okay.
	OP2	Okay?
	Di Meo	Sounds good.
	OP2	Sorry we took so much of your time.
	Di Meo	No problem. And you let me know if you want to talk about the waste management stuff another time.
	OP2	We'll do.
	OP1	Yeah, we'll do
	OP2	We'll do. Thank you.
	Di Meo	Thank you, have a good day.
	OP1	[...].
	OP2	Have a great day, bye-bye.

	OP1	Bye.  [Meeting ends]
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Date of the meeting: July 29<sup>th</sup>, 2021

Name and duration of the recording: 20210729\_182915 | 00:36:41

Time stamp	Side	Transcript
00:00:00	OP1	[Meeting starts]  00:03:25 - Mr Di Meo?
	OP2	Hey, Ruslan, how are you? Do you hear me?
	OP1	I can hear you, hi.
	OP2	Good.
	OP1	Good evening, David. Mr Di Meo--.
	OP2	Hey Antonello, how are you?
	Di Meo	Very well, and you?
	OP1	Hi, how are you?
	OP2	Good, good, good. Look at the sun. Come on, take it off, take it off the screen, man.
	OP1	What, you're still in Greece?
	Di Meo	I'm in--.
	OP1	[Connection Issues] in Mykonos.
	Di Meo	We have a villa 10 minutes north of the town, and now I'm on a beach in the southern side of the island because the wind comes from the north.
	OP1	Yeah, and you don't like the wind.
	OP2	You always say, 'We, we, we.' You always say, 'We', 'We have a villa.' Meaning, you and who is the--?

	Di Meo	And some friends, some friends.
	OP2	Ah, friends, friends. I thought something else--.
	Di Meo	Yeah, some friends.
	OP2	Long hair, something like that.
00:04:33	Di Meo	No, no, no, no.
	OP2	No, okay.
00:04:37	Di Meo	You don't go to a restaurant holding a sandwich in your hands.
	OP2	A sandwich, yeah, I don't, yeah.
	OP1	Yeah.
	OP2	That's true, that is true.
	Di Meo	If you see what I mean.
	OP1	Yeah. You visited [Connection issues]--.
	Di Meo	I think I lost Ruslan.
	OP2	Ruslan? Ruslan, are you with us?
	OP1	Yeah.
	OP2	Yeah.
	Di Meo	You said, 'You visited--.'
	OP1	I asked if you already visited Nammos or not yet?
	Di Meo	No, no, I just arrived, I just arrived.
	OP1	I understand.
	Di Meo	It takes some-- [Connection issues] before going all in, so--.
	OP1	I fully understand.
	Di Meo	Before completely wasting the wallet there.
	OP1	Yeah. So, first of all, thank you very much for having this call with us.

	Di Meo	My pleasure.
	OP1	I'm in a reasonable time but David, we kept him very late at night. But this is very important for us, so he, with his good will, said 'Okay', even though it's 11 o'clock at night at his place.
	Di Meo	Oh, it's not too bad.
	OP1	Ask her to stop for a minute.
	OP2	Ah, stop, stop, stop, stop, stop, stop, stop, stop.
	OP1	Stop, stop.
00:05:59	Di Meo	You guys can't focus, I see. I think I need to go in the toilet. [All laugh]
	OP2	Di Meo, Di Meo.
	Di Meo	That was not even a great asset, for the record.
	OP2	You know, can you share with us some sandwiches?
	Di Meo	You have to come back here, in Greece.
	OP1	Yeah. So, the thing is that we have a board meeting and--. [Connection issues]
	Di Meo	Yep.
	OP1	Hello?
	OP2	Yeah, we lost you, we lost you.
	Di Meo	Now you're back.
	OP1	Okay, so the board is more of-- thinking of buying the ships. And after the meeting with you, we came with the idea of more to--. [Connection issues]
	OP2	The line is really bad. Ruslan, do you want to go once again to turn off and turn on, maybe it will work, and I will keep on with Di Meo?



	OP1	No, it's okay, I'm--.
	OP2	Okay.
	OP1	It's okay.
	OP2	Okay.
00:07:09	OP1	So, we came with the idea of investing more in the bonds, something that will provide us, as far as we understood, some income after we will have more than 51% of the bonds, and it would give us some sort of an advantage-- [Connection issues] the owners of--. [Connection issues] Now, David and I we are preparing for the board meeting and--. [Connection issues] Hello?
00:07:55	Di Meo	You're back now, you're back.
	OP2	We're losing you all the time.
	OP1	What you heard from that?
	Di Meo	By the way--.
	OP2	Yeah.
	Di Meo	-in case it can be helpful, Ruslan, because you really said a couple of things which weren't 100% appropriate. If you want to share with me some materials that you want to present to the board to doublecheck-- I mean, which-- blanking out what's confidential and what you don't want to show to me, but if you want me to give a doublecheck to all the information that you're presenting to the board to make sure that you have verbally understood exactly my words.
	OP2	No, this--.
	Di Meo	Because there were already a couple of things, like--.
	OP2	This is an important-- this is a really important issue, Di Meo, or Antonello, whichever--.

00:08:41	Di Meo	Antonello, Antonello, Antonello.
	OP2	Antonello. It's a great thing you raised it because, I mean, we were sitting together, and we did not write everything. And one of the reasons we wanted this meeting is just to, you know, put it down in writings so we can actually come, you know, better prepared to the board meeting.
	Di Meo	Yeah.
	OP2	Did you hear what I said, or I was cut off?
00:09:07	Di Meo	Yeah, I think I got the gist of it, so--.
	OP2	So, and to be very frank with you, the board is very keen to proceed, there is some obstacles into the amount that we, so-to-call, 'risk' in providing-- in putting in the bonds, and the amount that we are putting in and securing for the ships. So--.
	Di Meo	Yeah.
	OP2	As you mentioned, if you can highlight, I'll be writing down because both of us talked at that time and we just want to reiterate what you said previously, how you can do it by yourself, how you can use our money to mitigate and get 51% in order to get the other bondholders work with us.
	Di Meo	Yeah. So--.
	OP2	And what is the minimum amount-- last but not least, what is the minimum amount that you require from us in order to be able to facilitate such takeover.
00:10:21	OP1	Guys, give me five seconds, I will prepare, I will try to connect the internet better, okay?
	OP2	Okay.
	Di Meo	Maybe before we try this change of connection, it would be helpful, David, Ruslan, if you put some bullet points, your understanding of the process and the transaction and so on, and

		then I amend the bullet points to reflect with precision the process and the commercial agreement.
	OP2	Wow, that could be great. I think that could be great.
	Di Meo	Yeah, I'll-- That is probably the best way to proceed to avoid misunderstanding and I want to be precise in the information that you represent to the board. So, let's-- I would suggest that-- . [Connection issues]
00:11:17	OP1	Now the internet is okay. I wanted to emphasise something. For now, we didn't present anything to the board. The thing is that we started to prepare our meeting, David and I, and apparently each one of us remembered the meeting a bit different. So, this is-- [Connection issues] Hello?
	Di Meo	Yes, you're back.
	OP2	Yeah.
	OP1	Yeah. So, this is why we wanted to have this meeting with you, in order to try to see if we understood correctly. Now--.
	Di Meo	Yeah.
	OP1	We can go through several points that you mentioned.
	Di Meo	Yeah.
	OP1	And you can tell us if it's something that we can present, or it's something that we cannot present. Of course, we will--.
	Di Meo	Yeah.
	OP1	-follow your instructions, so there isn't anything inappropriate over here, there is just a misunderstanding between David and I, this is why--.
	Di Meo	No, it's okay, it's okay. It's a complicated matter, so it's understandable.
	OP1	Yeah, yeah. Perfect.

	OP2	But to complement what you said, Antonello, after this meeting we will send you the points that we would like to clarify and if you can put it in writing, it will be much better--.
	Di Meo	Absolutely, absolutely.
	OP2	-so we can actually present it to the board and show what is the next step and how we can go into contemplating altogether, and first and foremost getting the budget approval from my board to put in the money, to put in the, you know--.
	Di Meo	Yeah.
	OP2	-put the hands into the pocket.
00:13:03	Di Meo	Yeah, absolutely.
	OP1	Okay. David, would you like to start or you want me to start?
	OP2	Sure. I just want to understand, or if you can, once again, repeat, in terms of the bond shareholders that you collect and the others, out of the 300, you are holding about 80, the others are holding about 100—that the bank is holding 140, and the rest of the bondholders are holding how much?
	Di Meo	Well, the banks are holding 160 of the bank debt.
	OP2	160. Okay.
00:13:52	Di Meo	Is that clear, David?
	OP2	Yeah.
	Di Meo	So, the 300 is-- [Connection issues] owned by myself, some other hedge funds in total owning, I think they're owning about 100. And then the market retail which would be difficult for them to vote is the rest of the 300. So, you can do the math.
	OP2	So, we had some understanding. So, Apitor Capital is holding how much?
	Di Meo	Aptior is holding a minor component. But to be honest, I don't want to go into the details of what each hedge fund is holding

		because I think it's—I've signed an NDA with those hedge funds back in the time.
	OP2	I see.
00:14:57	Di Meo	So, I don't want to say anything that then can be held against me and--.
	OP2	Understood, understood.
	Di Meo	-I've already received too many legal attacks on these files, so.
	OP2	Totally understood. You mentioned--.
00:15:10	Di Meo	But what I mentioned is that there is one hedge fund that holds the larger position of the other hedge funds-- [Connection issues] will want to sell for a markup today. So, once we manage to buy that hedge fund, the game is over. So, we control, through the bondholders meeting, 300 million of bond, because when you control the meeting of the bondholders-- [Connection issues] 300 million then you control the whole creditors of Moby, which is less than 600 in total, and you just need 50.1%. So, that's the strategy. So, you don't need to have 51% of the bond, you don't need to get to 150 million because in the second bondholders' meeting, you just need to have one third of quorum to have the meeting, and then the majority of that. So, under my calculation, once that hedge fund is bought out, then we control for sure the bondholders' meeting. Once you control for sure the bondholders' meeting, you control the vote for 300 million of bond in one class, and that controls the vote of the creditors of Moby because there is less-- [Connection issues] simple majority.
	OP2	I see. Who is the majority of bondholding that we can approach to?
00:16:57	Di Meo	You mean, in the bonds?
	OP2	Yeah.

	Di Meo	I hate to reply the same way I did before, but--.
	OP2	Oh, I see, okay, okay, okay. What else do we have written down here? In terms-- at that time you said there is, you know, the Moby-CIN-Tirrenia situation is political.
00:17:31	Di Meo	Yeah.
	OP2	In what respect it is? Because when we wrote down political, a lot of red lights were flashed.
	Di Meo	Absolutely.
	OP2	So, how political this thing is, really?
00:17:46	Di Meo	<p>Well, the fleet of Moby-CIN is the largest passenger ferry fleet in Italy. The continuity of movement between Italian mainland and the two main islands, Sardinia and Sicily, is guaranteed by-- mostly by Moby-CIN. So, the government has an interest to make sure that people are not left incapable of travelling between these very two large regions, in Sicily and Sardinia and Italian mainland, both in terms of people and in terms of cargo. So, in that respect there is some subsidies that the government gives CIN every year to perform certain routes.</p> <p>00:18:45 - So, to the extent that you guarantee the territorial continuity in Italy, and to the extent that you use public funding from the state for a certain extent with CIN, then obviously there is a political interest. The entrepreneur has shown to be unreliable and a nutcase, and that's why the government and specifically the ministry of Economic Development, would like a change of-- would like to see a change of governance in this strategic asset in Italy, because the owner is unreliable.</p>
	OP2	This was stated in public or is it--?
00:19:27	Di Meo	You know politicians. I mean, they cannot say in public, 'We don't want this guy to run this company' because we are not, I wanna make a joke, say, Russia or China, but to a certain extent-

		<p>- [laughs] to a certain extent we are, but-- so, jokes aside, they can backchannel to the core and to the stakeholders the information, but they cannot go out in public and-- obviously, there are interviews by the prior minister who comments badly about the owner because the owner last time threatened to stop the ships entirely unless the state extended the subsidies for a period of time.</p> <p>00:20:19 - So, there was a threat made by the owner to the state, the state commented in articles in the newspaper through the ministry, saying that this is irresponsible behaviour, and that's the end of it because that's a fact, they respond to a threat. But as I explained to you last time, the ministry of Economic Development is sponsored-- owned by the Northern League, and the Northern League has been funded by the main competitor of Moby.</p>
	OP2	And do we have-- as a group, do we have any leverage whatsoever here? Coming as a group of bondholders, do we have any leverage on the Ministry?
	Di Meo	The leverage is that you can, once you control the situation, your vote can procure the bankruptcy in liquidation or the continuity, that's the leverage. But more than the leverage is a gift that you bring to the table to the Ministry, which is, I put you in the position to have the largest ferry asset in Italy be operated by normal governance, by [...] without any support, I would say to the—to the ministry I would say, 'Tell me who should run this business, I just put the structure where I make my money and I leave the governance to whoever you dictate should be run this business by.' So, that's what it is. This perspective is dangerous. When people go up the stairs.
00:22:09	OP2	Yeah, it was much better when she came down.
	Di Meo	So, to a certain extent is on one side it's leverage, on the other side, it's something you bring to the table, it's a gift you bring to

		the table, so, obviously I'm working on the back channels to make sure that there is an understanding that somebody is working on an alternative plan which is predicated upon a change of governance in the company.
00:22:43	OP2	In terms of-- at that time, there was some blockage of-- I don't know if it was you acting as the blocking party for the DFDS ships.
	Di Meo	Yeah. It's-- together with the other hedge funds we--.
	OP2	Yeah, yeah.
	Di Meo	-sent a letter.
	OP2	Yeah. So--.
	Di Meo	We sent a letter to the security agent.
	OP2	Yeah. Do we have-- should we-- should they want to sell the ships that we are interested in, do you have the same leverage here in stopping a deal?
	Di Meo	They cannot sell it before the closing of the restructuring.
	OP2	I see.
	Di Meo	So--.
	OP2	So, in terms of acting, you are very comfortable in saying--.
	Di Meo	[Connection issues] according to the plan--
	OP2	Yeah.
00:23:36	Di Meo	If the company-- let's say, if the company receives an outstanding offer today by a buyer, the procedure, the bankruptcy procedure in Italy is such that the board needs to communicate to the court that it has received an amazing offer on one ship, and therefore it's in the interest of creditors to sell that ship. But not-- the sale cannot go through without an auction, so there needs to be an



		<p>auction. Because it needs to be proven by the marketplace that that's an amazing offer. That's why nobody even tries.</p>
	OP2	<p>What I'm trying--.</p>
00:24:12	Di Meo	<p>Yeah.</p>
	OP2	<p>I understand that. What I'm trying to understand, if you have enough power to stop such dealing, you-- our bondholding have enough power to stop such dealing, assuming everything goes wrong, like you did in this specific deal.</p>
00:24:31	Di Meo	<p>Obviously, I will do what my agenda predicates, which obviously is, if they try to sell an asset which I want to keep for whatever reason, I will put my lawyers on the case and explain to the court that it's not in the interest of creditors to sell that asset, that the alternative plan is predicated on the continuity, and therefore that asset is key for-- so, I think there are ways as a creditor, as a large creditor that you can convince the court not to proceed with an auction.</p>
	OP1	<p>Yeah--.</p>
	Di Meo	<p>But still, there would need to be an auction.</p>
00:25:09	OP1	<p>I wanted to ask about this special case. At the time, if I remember correctly, you said that you stopped the deal with Unicredit, was it enough or you did it also to put any pressure on the Norwegian also?</p>
	Di Meo	<p>No, the Norwegian, I didn't care about, maybe the price was a good price for those vessels, I don't know that yet. But what I knew is that the price could have gone to pay down the banks, given the documentation in place between the banks and the bonds. So, it was not in my interest, even if the price was good, that the banks got out far before the restructuring took place. So, it had nothing to do with the DFDS, it had nothing to do with the fact that the price was good or not, it had to do with the fact that whatever price could have gone to the banks and not to the bonds.</p>

		So, it was not in the interest of the bonds. So, we sent a letter to the security agent saying, 'The company is in financial distress, there is bankruptcy hearing coming up, so you cannot release the security because that would be against the documentation.' And so, Unicredit didn't release the security.
	OP2	I see.
00:26:26	Di Meo	Unicredit acts as a trust-- [Connection issues] of the ships on behalf of the bonds in the bank. It's like having a trustee. Security agent is like a trustee.
00:26:45	OP1	I understand. Okay. I wanted to ask something else, as far as I remember from our last meeting, you said that there are few weak bondholders that you are in contact with: one is holding, if I remember correctly, 25%, the other one 30%, and another one 50%--.
	Di Meo	Not percent, not percent. [...] percent because otherwise 25% would be really more more than--.
	OP1	Yeah, so what--.
	Di Meo	-the majority. So, they--.
	OP2	So, we spoke about bonds in general.
00:27:16	Di Meo	Yes. If you assume that the other hedge funds own in total around 100 million, there are three-four players in that hedge-- like, there are three-four hedge funds involved, but there is one who is larger than the others, so that's the target number one because once you attack the big fish, then the other fishes [fish] disappear, and they don't have any voting power anymore.
	OP1	I understand. And you said that it's possible to influence them in order to cross to your side, is it correctly [correct]?
00:27:54	Di Meo	No, no. I have come to the conclusion that I will buy them out anyway, I have two options because I think it's peanuts money for controlling a half-a-billion company. So, it's only a matter of

		<p>funding. I don't want all my eggs in this basket, personally, so the optimal way for me to do it is ideally with you because then, you also bring the value of buying the two large ships in the back end and that's value. That's valuable to me because that makes my alternative plan more credible vis-a-vis the court. But if you guys don't show up, I'm collecting the funding through my contacts to buy out that one hedge fund so that it's game over. Because it makes no sense, now that the situation is stable, the company is doing much better now with COVID coming out, there is a lot of demand for transportation in these vessels, so the situation is stable, it's not gonna go into bankruptcy, now that the court has admitted the company to a proper [Connection issues].</p> <p>00:29:20 – The company is worth a lot of money, so it doesn't make any sense to be cheap and not buy out the guy for 25-30 million just because I want to save this 25-30 million, when with this 25-30 million you can control half a billion of a company, so I've come to that conclusion.</p> <p>00:29:41 - So, ideally, if you guys get there on time, happy days because there is the additional value add [added value] which is the buy of the ships, which gives more cashflow in the plan, certainty of cashflows in the plan. I don't need to say, 'I hope I will sell those ships for value', I already have bids for these ships at this value, and that's a transaction which would be part of the restructuring. But if you don't get there, I'm organising myself to get that funding because, again, it would be foolish not to do it, given the size of the company and the small amount of money that needs to be invested in assets, which are bonds which are fairly priced. So, it's not that you are throwing money away from the window, it's-- you see what I'm saying.</p>
00:30:36	OP2	<p>Can we in this respect-- this is another option, guarantee, put a guarantee, a certain amount of money, quite a large one, to you so you'll feel comfortable going in--.</p>

	Di Meo	I haven't, sorry, I lost you for five seconds, David, can you repeat?
	OP2	Yeah, can you-- can we do something-- this is one of the shareholders asked me, whether we can put a guaranteed money for you not to buy the bonds, but a guaranteed money so you can work it out with, show that you have the fund, but this money in the end will come for the purchase of the ships?
00:31:25	Di Meo	But the bonds, if you don't give the cash, you can't buy them. [Laughs]. That's the market. Okay?
	OP2	No, I totally understand. But you can use it as a guarantee when you go to other entities.
	Di Meo	And the other entities are putting up the cash and they want a piece of the cake.
	OP2	I see.
	Di Meo	Then I have to deal with them as my partner. If they say, 'I give 25, 30 million', we do it together, we share the company together, it's obvious. I'm being 100% transparent with you guys because--.
	OP2	No, I totally--.
	OP1	Yeah, yeah.
	OP2	I totally respect that. Bear in mind that, you know, we have 10 people on the board, each one has its own request and enquiry, and I think what we've built is quite substantial, I think we have most of the board agreeing to this position in order to work with you to buy some of the bonds and put some of the money at risk from our side.
00:32:38	Di Meo	Yeah.
	OP2	And then deposit the other amount of money for the purchase of the ships.

	Di Meo	Yeah.
	OP2	So, in essence, if everything goes right, we buy the ships at their stated price. If everything goes in the middle, we spend another certain amount to buy the bonds, and we have a shareholding of a company.
	Di Meo	I understand that. I understand.
	OP2	Yeah, sorry?
00:33:06	Di Meo	I understand. Maybe, David, as we said in the beginning, it's very useful, I think, to put all these things in writing so that the process is clear and there isn't--.
	OP2	That's why we--.
	Di Meo	-a misunderstanding. Because it's very clear in my mind, because that's what I do for a living. So, I wanna really make sure that you guys fully, fully understand exactly every part of it.
	OP2	Okay.
	Di Meo	And so, I'm willing to dedicate a few hours to review and to mark up whatever you guys--.
	OP1	David, we will write such a presentation--.
	OP2	Yeah, I totally agree. What I would like to do is, we will write a few points to you, we will send it to you, please add your notes and add whatever you think--.
	Di Meo	Yeah. Absolutely.
	OP2	-will be good for our board to approve it, and so we continue. Since we have the board meeting next Wednesday or Thursday, I think it's Wednesday, Wednesday, our time 6pm, your time I think, Ruslan, is about 12 or 11 o'clock, you're gonna be in England, right?
	OP1	Yeah.

	OP2	Okay. So, what I'll do is, I'll put in some thoughts that we think.
	Di Meo	Yeah.
	OP2	I'll put in what I do remember from the meeting because I was doing-- both of us, were doing most of the talking so I don't really-- did not have the chance to write. And then you can add up whatever you have to say.
	Di Meo	Absolutely.
	OP2	And let's try to readjourn on Monday or Tuesday at the latest.
	Di Meo	Absolutely.
	OP2	Is that okay?
	Di Meo	That's perfect.
	OP1	Yeah.
	OP2	Ruslan, is that okay with you?
	OP1	I wanted to add something-- yeah, I wanted to add and ask something, if it's okay.
	Di Meo	Sure.
	OP1	You blame us that we don't have any Italian speakers in our team, and you mentioned--.
	Di Meo	No, I didn't blame you, I didn't blame you.
	OP1	Yeah, probably we are a bit stupid doing that, but--.
	Di Meo	No.
	OP1	-I wanted to ask you, maybe it's again misinterpretation of the Italian. [Connection issues] Can you hear me now?
	OP2	Yeah, now yeah.
	Di Meo	Oh, yes.
	OP1	A few bondholders that they are in connection with Moby. It was Apitor capital--.

	OP2	I have already asked-- yeah, I have already asked the question, Ruslan.
	OP1	I understand.
	OP2	You were cut off at that time.
	OP1	I couldn't hear you.
	OP2	Yeah.
	OP1	Yeah, okay. So, sorry for repeating your question.
	Di Meo	No, it's okay, no problem. Let's get the thing in writing very precise so that we're all comfortable that we are heading in the right direction.
	OP1	Yeah.
	OP2	Good. Anything else, Ruslan, you would like to ask?
	OP1	No, I do, but probably I was cutting off. So, I will call you in a few minutes and probably you already asked the questions.
	OP2	Yeah. [Laughs]. Okay.
	Di Meo	Thank you very much.
	OP2	Listen, don't call me, I'm going to sleep, I had a long day today.
	OP1	Antonello, thank you very much, go back to your business which is much more fun than we are doing over here. So, sorry for interrupting you, by the way.
	Di Meo	Not at all, not at all, with pleasure. Have a lovely day.
	OP2	Thanks a lot, take care, bye bye.
	OP1	Great, thank you very much.
	Di Meo	Thanks, bye.
	OP1	Enjoy, bye.  [Meeting ends]

Date of the meeting: August 9<sup>th</sup>, 2021

Name and duration of the recording: 20210809\_153039 | 00:53:49

Time stamp	Side	Transcript
00:00:00	OP1	[Meeting starts]  00:02:57 - Hello?
	OP2	Hey Antonello.
	OP1	Hi.
	OP2	Hey, how are you?
	OP1	Fine, thank you. How are you?
	OP2	Good, good. Tired. Long day today.
	OP1	Yeah.
	OP2	Very long day.
	OP1	I can imagine.
	OP2	How are you? I don't see you. Ah, same place, that's good.
	Di Meo	Can you see me?
	OP2	That's good.
	OP1	Hello.
	Di Meo	Hi guys, how are you?
00:03:25	OP1	Fine, thank you. How are you?
	Di Meo	Very good, thanks. Can you hear me well?
	OP1	Yeah, this time yeah.
	OP2	Yeah, very well.
	Di Meo	Great, because from--.
	OP1	You are on the same stairs--.



	Di Meo	-you never know from the heads--.
	OP1	-you are on the same stairs as last time.
	Di Meo	It's a place we come quite often, so, and it has good Wi-Fi and I know that these stairs are quiet, so that's why.
	OP1	Yeah.
	OP2	It's on the-- you told us last time it's on the way to the toilet, isn't it?
	Di Meo	No, no, no, no.
	OP1	Yeah, okay.
	Di Meo	It's not--.
	OP2	Listen, my friend--.
	Di Meo	-not on the way to toilet. I think it's, upstairs there are the rooms.
00:04:16	OP2	Oh, I see. Listen, first of all, I really appreciate the time and everything. I really-- we need this to firm up the presentation, it looks that it's going in good ways, good vibes from our place, but we need to affirm a few questions that you changed or added up. So, bear with us for a few questions, and let us, you know, close it and hopefully--.
	OP1	Yeah.
	OP2	-present it this week, is that okay with you? Antonello?
	Di Meo	Absolutely, absolutely.
	OP2	Okay.
	Di Meo	If you-- maybe when we have the final version, just for the sake of-- can you hear me?
	OP2	Yeah, we can hear you.
	OP1	Yeah.

	Di Meo	Can you hear me?
	OP1	Yeah, perfectly.
	OP2	Yeah.
	Di Meo	Hello?
	OP1	Yeah. Hello?
	OP2	He fell down--.
	OP1	Hello? Yeah, maybe the Wi-Fi is not so good over there, next to the toilet.
	OP2	Yeah.
	OP1	We will wait. I will bring my coffee in the meanwhile.
00:05:51	OP2	How are you doing? Long time, huh?
	OP1	Yeah.
00:06:49	OP2	Do you hear us better right now, Antonello? Di Meo? Hey, do you hear us now, Antonello?
	OP1	Hello?
	OP2	We can see you but we cannot hear you.
00:07:44	Di Meo	Hello?
	OP2	Yeah, can you hear us?
	OP1	Yes, hi. Can you hear us? Hello?
	Di Meo	Yes I can--.
	OP1	Perfect.
	Di Meo	-hear you, yeah.
	OP1	Okay, David, would you like to start or you would like me to start?
	OP2	I'm going through the presentation, okay? So--.
	Di Meo	Yeah.

	OP2	-apparently-- do you hear us? If you don't hear us, just raise your hand, okay?
	Di Meo	Okay, okay.
	OP2	Okay. So, you mentioned that the financial institution that has funded your financial institution, about 80 million in bonds that you control. And I know you mention it before, we went to the board, we would like to go into a partnership, and they would like some more information, who are we partnering with. Is it your individual, or the 80 million bonds as a whole? You know, all those bondholders? Is that a private bank? I mean, who are the people that we are joining in with? And this relates to the other questions later on, into the other bondholders, but let's address this one.
00:09:18	OP1	He's gone again. This time it's his fault.
	OP2	Yeah.
	OP1	Not ours.
	OP2	Yeah.
	Di Meo	[Audio disruption] Pretty bad, unfortunately.
	OP2	Yeah, do you hear us now?
	Di Meo	[...].
	OP2	Okay.
	Di Meo	Yes I can.
	OP2	Did you hear my last question?
	Di Meo	I got, I got your question. So, 50 million, and I'll be 100% transparent with you, I hope that, again, you treat the information with confidentiality, and I don't want to even see in emails or anything else. 50 million is directly controlled by my investment company. 29 million is controlled by Morgan Stanley.

	OP2	What, I'm sorry?
	Di Meo	As you might understand, market-- Morgan Stanley cannot formally enter into agreement because they are a market maker.
	OP2	I see. So, if I hear you correctly, 'cause the sound is very bad, 50 million is your private own, and 29 million is by Morgan Stanley, is that correct?
00:11:20	Di Meo	That's correct.
	OP2	Okay, okay. Question, why did you--.
	Di Meo	Now, just to be clear, David--.
	OP2	-why did you-- go ahead.
	OP1	Hello?
	Di Meo	Let's try with this, can you hear me now?
	OP2	Oh, much better, much better.
	OP1	Yeah.
	Di Meo	I cannot hear you still.
	OP2	Can you hear us now? Antonello, do you wanna get--.
	Di Meo	Let me try to connect again.
	OP2	You wanna do it-- do you wanna do it some other time when he's nearby a better internet connection?
	OP1	By the way, it's only Wi-Fi over there so he just need to go to a better place. I more-- will be more than happy to wait a bit, and let him change places.
00:12:36	OP2	Antonello, do you wanna change places, or do you want to connect later on? It's up to you.
	Di Meo	Okay, now it's-- no, no. Now it's-- now I can hear with you. Before there was a problem with the headset.
	OP2	Okay, okay, so now it's better. So if you--.

	Di Meo	So, so--.
	OP2	Yeah.
	Di Meo	Yeah.
	OP2	Go ahead.
00:12:54	Di Meo	So, the numbers are those ones I gave you. Now you need to understand the sensitivity around Morgan Stanley, which is the following. First, they are a market maker, they cannot be seen by hedge fund clients as siding with one. So, they cannot enter formally into agreements with me or with anybody else because they are a market-making desk.
	OP2	Yeah.
	Di Meo	The guy who runs Morgan Stanley Global, Massimo Piazzzi, is my best friend.
	OP2	Okay.
	Di Meo	He's the head of global distressed debt business of Morgan Stanley.
	OP2	Okay.
	Di Meo	He will vote what I say him to vote.
	OP2	Understood.
	Di Meo	He has an interest which is beyond Morgan Stanley, so that's my guarantee that he will vote the way I say. But he cannot, as a market-making desk, enter into agreements, otherwise they cannot freely trade. So, that is why the sensitivity around this issue. They are happy to put more money into the trade, so effectively, I already have an agreement with them that's, if you guys don't wanna invest money, I'll put some more money, they'll put some more money, and we'll try to buy the bonds that we are already starting to speak with the hedge funds because this needs to happen in August.

		<p>00:14:30 - Now, that is the only two parties in the group. When you mention the hedge fund group, there are two-three hedge funds that own in-- collectively 100 million. One of them owns 50 million, and that's the guy that I'm going to try to buy out because that means game over in the restructuring if I take him out. And unfortunately, I know that to take him out, 50 to 60 cents on a dollar will be needed, and that's why the €25 to €30 million. So, that's the exact landscape in terms of who you're partnering up with, and the governance on my side.</p> <p>00:15:19 - And I have, in order to be representing circa 80 million before the Court of Milan and therefore having 26% of the bond under my control, I had Morgan Stanley send an email to a notary public in London saying that I effectively manage their position, and that's why I have this notary public statement-- [internet disruption] by Savills London that says, 'Antonello di Meo controls 26% of the bonds.' So, the notary public wrote this statement, this sworn statement on the basis of an email that Morgan Stanley sent to represent that I have the management of their position.</p>
	OP1	I understand.
	OP2	Now, this is why you erased the other bondholders from the presentation?
	Di Meo	<p>No, no. It's just that I was formally [...] in a group with the other hedge funds, and we disclosed confidential information-- [internet disruption] disclose my position, I disclose-- [internet disruption] to me, and we signed a confidentiality agreement. So, if there is a document that goes around, well, it's clear that I told you guys-- the names are in the public press, so--.</p>
	OP2	Yeah, that's why I'm asking.
	Di Meo	-you can write the names of the hedge funds.
	OP1	Exactly.

	Di Meo	But in the public press, there is not the position of each hedge fund. Only myself can know the position of each hedge fund, and I'm under confidentiality agreement, and I try to avoid having people to go after me with legal actions, so. [Laughs]
	OP1	Yeah.
	Di Meo	Otherwise, I have too many battles to fight.
	OP2	To fight, I understand.
	OP1	Yeah.
	OP2	Okay. So let me put this, so I'm okay with this one. I'm just looking at the presentation, one second, ah? If you have any question, Ruslan, go ahead.
	OP1	Yeah.
00:17:53	OP2	Now, you mentioned before, we see in the news that the bondholders and-- are now discussing with Moby. That's what we managed to read in the news. Is that correct, that they are coming to an agreement with Moby and everything?
	Di Meo	Who is coming to an agreement with Moby?
	OP2	The other bondholders.
	OP1	The other bondholders.
	Di Meo	So, I spoke to them two days ago, they understand the other hedge funds that own 100 million. They are speaking to the company, you know that I have a different strategy on this point.
	OP2	Yeah.
	Di Meo	They're speaking to the company. They understand now there was a legal action by the state vis-à-vis Moby last week, which basically makes them understand now that the state will want a change of ownership. So, they told me that they're formally speaking with the company, but they're not going to rush the

		negotiation before September because they also understand that the court and the state, in some way, will effectively push out the current shareholder from the governance. So, they are pretending to negotiate because they have an interest to receive all the information that you can receive only if you speak to the company, but they-- again, they are not rushing into any agreement formally. And even if they do, they don't have the votes to put the plan through, so it's irrelevant because they need my vote.
00:19:43	OP1	[Simultaneous talk] Yeah, but how, how you can be sure that they are going with us and not with Moby?
	Di Meo	Because I need to buy them. That's the only-- that's why we are talking, because--.
	OP1	In the end, it's financial interest. And if they will see that their interest to go with Moby is better than us, so they will leave us alone and will go with them. Or--.
	Di Meo	Yes, but they don't have the vote to push through the bondholders meeting because I will block it in the bondholders meeting.
	OP1	I understand.
00:20:17	Di Meo	But in any case, as I said, at this point-- again, I've already taken the decision that I will buy out some of the bonds of that group. And once I buy out some of the bonds of that group, it's game over because then, it's irrelevant for the company to speak to 50 million of bonds when I own 130.
	OP1	Yeah.
	Di Meo	And I can push by myself the plan through the bondholders meeting.
	OP1	This is exactly what I wanted to ask. You said that you want to buy one of the bondholders. Are you putting all the eggs in the--



		in one basket, which means you are aiming only towards one bondholder, or you have several bondholders that they are as a protection--.
	Di Meo	No, I want to take a-- no, because once you buy the bondholders with 50 million, the mathematics of the bondholders meeting is such that I don't need to buy anybody else.
	OP1	Exactly.
00:21:20	Di Meo	Also, the guy with 50 million is the only Italian guy in the group. The other guys will never try to defend themselves once they know that I have the votes in the bondholders meeting to push the plan I want. They will come and knock on my door asking me to join the group, but I don't need their votes anymore, at that point.
	OP1	I understand. And us joining to this venture, we're going to help you to buy out the 50 million?
	Di Meo	So, that's the idea. That's the whole idea, it's-- again, my plan is, I need to buy these 50 million and make sure that I have 100% of control of the restructuring plan, which means I put forward a plan and I vote, and nobody can block me, that's 100% controlled.
	OP1	You--.
00:22:17	Di Meo	So, the move, the move to have 100% control is to buy this guy out. I know it will take 50 to 60 cents on a dollar to buy this guy out, which means €25 to €30 million. If your money is coming in, we will do it with your money. If your money is not coming in, I will put some millions, and Morgan Stanley will put the rest.
	OP1	I understand. Will we have the chance to meet this person, or we need to give you the money and trust you with the purchase?

	Di Meo	I mean, you will need to trust me because it's will say that I can buy up to 50 million bonds up to a certain price, and so, effectively, let's assume that I buy 50 million bonds from other guys and not this one guy, it's still game over, because they wouldn't have the votes to counter me. It's easier to buy from one than to buy from six.
	OP1	I understand.
	Di Meo	Because if you buy from six people, you need to align six trades.
	OP1	Yeah.
	Di Meo	And so it's easier to go for the big fish.
	OP1	Yeah.
	Di Meo	And then everybody else is without the strategy.
	OP1	Can you please tell me--.
	Di Meo	You will need to trust me, it will be legalized in the escrow.
00:23:44	OP2	Antonello--.
	OP1	Yeah, I think, by the way, I think we have a delay in the line somehow, but I wanted to ask during the conversation, at least can you tell us who is this guy that hold the 50 million, that we can show some details to our board of directors, according to the plan of buying out the bonds of Moby?
	Di Meo	Let me ask you a question. Who can guarantee me that this information doesn't go out and I pay the consequences for it? Because I have two risks. First one is, again, you go and speak to this guy, and so you disintermediate me, and that's a commercial problem. And then there is a legal problem, that if this information then is put down in emails or in paper, then it will be very easy to demonstrate that I gave you such information.

	OP1	Fair enough, I fully understand what you're saying, but you need to see my angle also. So, I think that the golden path between those two-- and I'm fully accepting what you're saying. First of all, I can assure you that we're not going to approach this guy and we'll try to bypass you, it's something that we are not going to do for a very simple reason, we are not familiar with the market as well as you do. You saw on our last meeting that even our Italian, it's a bit problematic, and we don't see the data as it is. So, we need somebody like you so we won't shoot ourselves in the head or in the legs. It will be stupid from our side, so this is first. But in order for you to feel comfortable, and in order to provide us what we need, can you describe this guy that holds the 50 million without saying his name? Only that I and David will be able to present the thing to the board of directors.
00:25:45	Di Meo	It's a very large-- it's a very large, very large multi-billion London-based hedge fund that invest in various asset classes.
	OP1	I understand, okay. Great, fair enough.
	OP2	Antonello, Antonello, let me ask you, the board, I don't know if you know the mentality in China, Hong Kong, is the-- it's very important for them that the relationship with the ministry itself. And you mentioned several times about the Ministry of Economics and the Northern League that is against Moby. Would you say that--.
	Di Meo	Not Moby, the owner. Against-- let's say they don't have sympathy vis-à-vis the owner of Moby.
	OP2	Yeah. Oh, okay. Okay. So, they don't have a sympathy. Do you think-- that's what I've been asked. Do you think there's subsidised, paid by, bribed by, I don't know, by any other external group like the competition? Where we're gonna--.

	Di Meo	Oh, definitely. Definitely-- look, in a way, it's irrelevant because there needs to be a three-player market, it's not in the interest of the state and European anti-competition authority will never allow a consolidation of the market into two players. So, the state needs three players. However, the state needs three players who know how to behave, because what Moby did with to buy the vessels from the state and not to pay them, and now the state has a credit vis-à-vis a bankrupt company, it's not acceptable to politicians because that's public money, and they will be gone after in the next elections for it.
	OP2	We lost--.
	Di Meo	<p>So, there needs to be a three-- [internet disruption] Moby do anything possible to change the ownership of Moby, that's the way you cut it. Now, you cannot see, as a state, to publicly say, 'We don't like that entrepreneur', they cannot say, 'I do a deal with a certain creditor', that's not the role of the state. But as you very well know because you operate in that geography, the state behind the curtains decides and acts.</p> <p>00:28:32 - So, my strategy is to-- once I have the votes, it's to keep on creating a possibility of a restructuring plan with a change of ownership of Moby because that will mean that the state will be very friendly towards that plan and will tell Tirrenia to vote in favour of the plan. Tirrenia is the biggest creditor of the subsidiary CIN, which is the one which gets the public state subsidies.</p>
00:29:11	OP2	We heard about a week ago, we heard that Grimaldi is behind a lot of this movement, and he's trying to take over through a Danish company, possibly, the company. And this how he can get control out of, you know, from behind, control out of the third line. Is that true? I mean, does it make any sense?
	Di Meo	When you say 'Danish company', you mean DFDS?

	OP2	Yeah.
	Di Meo	That's a public company.
	OP2	Yeah. But we heard that there is some movement of Grimaldi trying to take over this bankruptcy as well. And we are thinking, you know, are we fighting, you know, a very big conglomerate with no chance of winning?
	Di Meo	<p>It's very simple. The restructuring needs the creditors' vote. Grimaldi is not a creditor. So, the only thing he can do is, if the chapter 11 fails and the company goes into liquidation, Grimaldi can buy in an auction from the state receivers some vessels. Because of competition, he cannot take over Moby, he can only buy certain vessels and try to win certain routes, but if Moby is a growing concern, the restructuring will be voted by creditors, as simple as that. So, if Grimaldi comes to me and says, 'I want those ships. I'll give you the bid on those ships at above fair market value. Can you put together a plan which includes my [...] needs?' I will say yes as much as I say yes to you guys, because I'm a financial investor, I only care in the recovery.</p> <p>00:31:34 - So-- But Grimaldi has never approached me, so again it's, they don't have a way to buy because there isn't an auction at the moment. So, if-- if, let's say tomorrow, the most aggressive thing they can do is, they make a formal offer to the board of Moby, but that will need to be voted by the creditors because there is a Chapter 11, so in the Chapter 11, in the Concordato, there is nothing that Grimaldi can do without the creditors' votes, without the bonds. Outside the Chapter 11, if the chapter 11-- if the concordato will fail and go bankrupt, then Moby will be-- will end up in an extraordinary administration, the state will send receivers, and they will liquidate the estate. And Grimaldi will need to join the queue and participate to the auction.</p>

00:32:36	OP2	I see. So, we-- I can assure our board that you are not--.
	Di Meo	I'm--.
	OP2	-playing in two ways.
	Di Meo	No, no, Grimaldi has never gotten in touch with me. And it's-- look at me. From my standpoint, it's weak to speak to potential buyers of the assets unless I have the votes.
	OP2	I see.
	Di Meo	Because I need to sort that. So, once I control the governance of the votes, then it's different. But honestly, 100% Grimaldi has never approached me.
	OP2	Understood.
	OP1	I wanted to ask something. We are pretty familiar with the involvement of political groups in the business procedures in several places in the world, like in Russia, for example, and other places. So, we're quite familiar with those procedures. You mentioned the Northern League several times in our conversation. Does Grimaldi, in some way, connected to the Northern League?
00:33:42	Di Meo	Yes. I understand that they sponsor financially the Northern League. They are one of the financial sponsors of the Northern League. That's why Grimaldi hates Onorato, and that's why he wants to see this company managed by another owner. They know that they cannot take over the company because of anti-competition rules, but he personally hates Onorato, and so, his objective in life is to have Moby taken over by different owner. I'm sure they would prefer to have a friendly owner that they can have a better marketplace with better pricing, to make more money, that's what Grimaldi is after.
	OP1	I understand.

	Di Meo	Grimaldi-- look, Grimaldi is an international company. Italy is a minority of their business.
	OP2	I know.
	Di Meo	In a normal world, they shouldn't bother about Italy, he only has a personal beef with Onorato, which has gone into the public press. They say things to each other through the newspapers, like, I don't know. And so, his objective, which is a personal vendetta, is to see Onorato without his company.
00:35:06	OP1	You remember the film 'The Godfather'?
	Di Meo	Yeah, I do.
	OP1	So in The Godfather he says, 'There isn't such thing, it's not personal. Everything in life it's personal'.
	Di Meo	It's personal, yeah. Yeah.
	OP2	Tell me, Antonello, I have one last question with regard to the presentation that we sent, and then I'd like to into some details with the legal, because I'd like to introduce to you our legal team. It's one of the largest groups on Hong Kong, [...] Group. But before that, it was mentioned that, you know, UniCredit and Intensa has about 160 million debt there. What's their role in this procedure? Do they-- are they active, or just sit there, wait to see what happens?
00:36:08	Di Meo	No, the-- they have 100-- sorry, first, there is five or six banks that in aggregate hold €160 million of bank debt. It's not the bond, it's bank debt. It's--.
	OP2	Yeah, yeah, it is bank debt, yeah, I'm sorry.
	Di Meo	-on top.
	OP2	Yeah, yeah, yea, you're right.
	Di Meo	So, because they have 160 and the bond has 300, whatever they vote is irrelevant.

	OP2	I see.
	Di Meo	Now, you also have to understand that when a company goes into a concordato, the relationship manager of the bank doesn't cover their credit anymore. It goes to the legal department. And the objective of the legal department is not to recover 50 cents instead of 30 cents. The objective is to minimize the potential--.
	OP2	Loss.
	Di Meo	-action against the bank that lent money to financially distressed companies, and UniCredit was also, together with Goldman Sachs, issued the bond, and so they have other legal issues to take care of. They don't really care if they recover 50 cents or 30 cents. It's a legal analysis for them to avoid a liquidation of the company, because in that case, claw back actions and criminal actions would be definitely started by the receivers against the banks of the company.
	OP2	Understood.
	Di Meo	Because it's a crime in Italy to lend money to a bankrupt company.
00:37:49	OP2	Last-- maybe I have some more, but Ruslan, if you have any-- we-- I'm gonna send you the information about our legal. Do you know which company, which legal firm are we gonna work with, or are we appointing directly with you? Our legal firm will work with a corresponding legal firm from your side, or is it-- they should approach you directly with all the proceeding?
	OP1	One second, I want to add to that.
	Di Meo	No, no, they--.
	OP1	Last time, when we met in brief, you said that we are-- it's looks like we're not familiar with the Italian market, and you're absolutely right. It's the small details. So the question is, would it be okay to find a local lawyer or law firm that we can attach



		to, in order to see the things more clearly? I think that the most logical one is the one that you are working with, if it's okay for them to provide services also to us, or to our legal firm, it's something that can be done. The question if it's okay with you, and how it's-- can we move forward with that.
00:39:06	Di Meo	So let's divide this argument into distinct things. First, the legal around the escrow is one thing, and that has nothing to do with Italy because the escrow account, it will be in the, let's say, in the Isle of Man, and so it's only a matter of English law. I don't need a lawyer to negotiate what works in terms of the documents, that's regulate the escrow account. Ultimately, after I commercially negotiate what makes sense to me, then I will have a last look by a lawyer. But I personally don't need it, so I would say, to answer the first question by David, get your lawyers directly in touch with me, because I'm a very legal person, even without being a lawyer.
	OP2	Okay.
00:40:12	Di Meo	And then last minute I will have a lawyer, just to double check. But again, that's a very distinct topic because it's about an escrow agreement, over an escrow account which will be under my direction within the rules of the escrow agreement in an account in Isle of Man, and so it's English law. Did you say it's Akin Gump, your law firm?
	OP2	Akin Group. Akin Group.
	Di Meo	Okay, because you-- I don't know if you mean Akin Group is the same as Akin Gump, G-u-m-p. I tell you why, because Akin Gump is representing Moby for UK and US law matters in the case, so they would be conflicted to represent you, and also, very importantly, you do not want that Akin Gump lawyers in London that are representing Moby know that there is this

		conversation. Because then we give Moby and its owner the chance to neutralize our partnership, so to speak.
00:41:36	OP2	First of all, thank you so much for this information. I didn't know that, that's new, that's very new for me, I had no idea that-- let me see, that's-- what you say right now is kind of a surprising details for me. We need to--.
	Di Meo	If it's not the same law firm, maybe it's not the same law firm, but if it's Akin--.
	OP1	I think it's not the same-- I think this is not the same.
	Di Meo	Okay.
	OP2	Let me do the checking, it's an important aspect here. Very important aspect, let me do the checking--.
	Di Meo	Okay.
	OP2	-and I'll come back to you as early as I can. Anyway, if it's the same legal--.
	Di Meo	That--.
	OP2	-we will not use this group of course, that goes without saying.
00:42:21	Di Meo	On the second point, Italian restructuring point, I think it would be helpful if you speak directly to an Italian restructuring lawyer, to ask the questions that you ask me, for two reasons: one is because at some point-- [Laughs] I will start to charge you fees for all the--. [Laughs]
	OP2	That's okay, that's okay.
	OP1	Go ahead. It's okay.
	Di Meo	Just joking, just joking. But I want for you to double check my answers with the lawyer so that you can give more credibility to what I tell you. There is one lawyer that used to work for DLA Piper. He's now working for probably the best lawyer in Italy called Cappelli.

	OP2	Cappelli?
	Di Meo	Cappelli law firm. He's now working for Cappelli law firm which, in my opinion, Mr Cappelli is the best lawyer in Italy, commercially. So, the lawyer speaks-- Mr Luca Magrini, he has followed a lot of these cases is with international aspects. And so, I would introduce you to him for you to--.
00:43:42	OP2	Luca is L-u-c-k, right-- a.
	Di Meo	L-u-c-a, and the last name is Magrini, M-a--.
	OP2	Ah, Magrini.
	Di Meo	-g-r-i--.
	OP2	n-i-- okay.
	Di Meo	-n-i.
	OP2	Yeah.
	Di Meo	Luca is a lawyer, a very good lawyer who speaks good English, and he's used to speak to foreigners. So, he's very-- he has a mentality of-- because you know, most of Italian lawyers, they would struggle to speak your language in a way, not only from an English standpoint, but from a mentality standpoint. So, Luca is very good because he knows this case very well because he was involved two years ago in this case. And he's a great lawyer and he's available. So, I will-- if you need, an Italian restructuring lawyer to speak to, to ask 100 questions about the process, I'll put you in touch with Luca Magrini, and you can harass him as much as you want.
00:44:53	OP2	Tell me, Antonello, there is a ridiculous request by a company named J Invest into insolvency of CIN.
	Di Meo	Yeah.
	OP2	Do you know anything about it? What is it?

	Di Meo	<p>Yeah, I know the guy who owns J Invest. The reason why he's trying to get CIN into bankruptcy is because he's a creditor of Tirrenia, Tirrenia is the state company. And he thinks that he has an interest too from the liquidation of CIN. Now, so he's hassling the court to declare the bankruptcy of CIN. Now, unfortunately for him, there is a bigger picture, here. And the bigger picture is, does the state want this company to stay alive and continue to connect Italy to Sardinia and Sicily? Or it prefers the liquidation of the vessels? Because the answer is, the court and the state want a continuation of the business preserving 7,000 employees and preserving the routes which connect Italy to Sardinia and Sicily.</p> <p>00:46:08 - The court will do whatever it takes to keep the going concern, and the bankruptcy request by J Invest is sterilised by the Chapter 11 process in CIN. And the Chapter 11 process in CIN is controlled by Tirrenia, so there is nothing that J Invest can do.</p>
00:46:29	OP2	Understood. So, it would not interfere us in any way?
	Di Meo	No, no.
	OP2	Okay. Ruslan, just a small question, you put in your information and you put it, TPG. What is TPG Capital? It's the first time--.
	Di Meo	TPG Capital is Texas Pacific Group, it's the top three private equity fund in the US. The founder is David Bonderman, anybody in the United States knows that KKR, Blackstone, and TPG are the three largest, oldest private equity funds in the US.
	OP2	No, but then you-- do they have any holding with you in this venture?
	Di Meo	No, that's just my resume. Because you've wrote--.
	OP2	Oh, I see.
	Di Meo	-you've wrote, I think you've wrote--.

	OP2	Yeah--.
	Di Meo	-what did you write? JP Morgan.
	OP2	Yeah, you did-- we did write JP Morgan and we wrote--.
	Di Meo	Sound Point.
	OP2	Yeah, we didn't know that you were--.
	Di Meo	So, you have my full background, it's JP Morgan, top investment bank, TPG, top private equity fund, Sound Point, top hedge fund with credit expertise, so if I--.
	OP2	Any other thing--.
	Di Meo	-wanted to just give a--.
	OP2	I'm finished with the presentation, any other thing you think we should relate to the board?
	Di Meo	No, if you want-- please.
	OP1	[...] I think this could-- hello?
	OP2	Go ahead, Ruslan.
	Di Meo	Yeah.
	OP1	Yeah, Mr Di Meo, do you think that, as David asked, from our perspective I think those were the questions in order to help us present everything to the board. Do you think there is any kind of something else that might be an added value for us to persuade them with this deal?
00:48:32	Di Meo	Look, I think that from your perspective, it's all dependent upon-- I mean, I don't know your objectives. What I can say is that once we control a company worth half a billion, which is one of the strategic assets in Italy, a lot of good things can come out out of it. Not only on this company, but on a lot of other things. Because if-- let's-- I'll give you an example. Let's say you are interested in two ships, but we will together have governance on one strategic asset in Italy. So, if the ministry

		tells me, 'Make sure that the equity will be owned by guy X, Y, Z', I will say, 'Okay, fine, let's sit down', and on top of making money, I can say, 'Okay, but I have an interest to check that asset, or'-- so there is other business coming out of the fact that you hold the keys into one of the strategic assets in Italy. And the ministry wants something from you. 'Give the company to Mr X, Y, Z', and it's up to you, to us, to determine yes or no, so we can ask something back on top of the money, which is what I'm after.
	OP1	I understand.
	Di Meo	They-- that's--.
	OP2	And I can say--.
	Di Meo	-I think that's the strategic--.
	OP2	-and I can say that we have good contacts there, in the ministry.
	Di Meo	Yeah, absolutely.
00:50:02	OP2	Okay.
	Di Meo	But again, just to be clear, David, because Italy is a very bureaucratic country, there is not one guy who commands, having good contacts means-- I mean, let's put this way: I have good contacts to make sure that I create a case which is in the interest of the ministry to approve. It's not-- if I have the wrong case, if my plan is to keep Onorato in charge of the business, there is no good contact. They will never approve. So you need intelligence rather than good contacts. You need a brain to put together a case, a restructuring plan, which is in the interest of the ministry, so the ministry will support. So there is not such a thing in Italy anymore, 'Oh, you know Berlusconi and therefore you will get things done', because today in Italy, there are-- it's like 100 people fighting against each other. So you might have a contact in to one, but then you have 99 fighting against you. So

		you just need to create a smart case for the system to back you up.
	OP2	Understood.
00:51:19	Di Meo	And that's more than contacts.
	OP2	Understood.
	OP1	By the way, you mentioned intelligence, and it's very important point, and I want to ask you, how you familiar with the other side that makes you sure that your plans will-- or our plans today will succeed?
	Di Meo	When you say, 'The other side', you mean the political side?
	OP1	All the sides. What makes you sure that the political sides, the bondholders, everything, will come up to a point that we are going to succeed with our plans?
	Di Meo	Well, there is-- I mean, from bondholders, banks, and other creditors, it's very simple. I don't need them on board if I control the vote. The political side is more tricky, because they can change things. So, and the only-- and I've spoken to my intermediary who speaks to the ministry and speaks to Tirrenia administrators, and their only objective is a change of equity, ownership of this company, to put a reliable equity owner in the seat. That's what they care. So if I can create the situation to achieve these objective for them, they will support it.
	OP1	I understand. So, in the end, it's all interests that coming to one point.
00:52:47	Di Meo	At least on the political side, yes. On the other sides, it's mathematics of voting.
	OP1	Yeah, it's [...].
	OP2	Ruslan, I need to get information about the legal aspect. I'll put everything in one presentation, I'll send it to you for authorization, and then the board is on Thursday if I'm not

		mistaken, and if everything goes well, we can have some answers end of next week or the week after. We don't want to extend it very long. From my side, Antonello, thank you so much. Any other thing you like to ask, Ruslan?
	OP1	No, thank you very much.
	Di Meo	Whenever you want your legal people to speak to me just put them in touch--.
	OP2	Yeah.
	Di Meo	-with me via email, and I'll arrange a call with them.
	OP2	Will do, will do.
	OP1	Great, great.
00:53:43	Di Meo	Thanks, have a good day, guys.
	OP1	Antonello, thank you very much.
	OP2	Thanks, take care.
	OP1	Have a great day.
	Di Meo	My pleasure, bye-bye.
	OP1	David--.
	OP2	Bye-bye.
	OP1	-good evening. Thank you very much.
	OP2	Take care, bye-bye.
	OP1	Bye.  [Meeting ends]

Date of the meeting: August 16<sup>th</sup>, 2021

Name and duration of the recording: 20210816\_171710 | 00:43:19



Time stamp	Side	Transcript
00:00:00	OP2	[Meeting starts]  [...]. אני מעלה אותו? [Hebrew: do I put him on?].  00:00:40 - Hey, Antonello.
	Di Meo	Hello.
	OP2	Hey, how are you, my friend?
	Di Meo	I'm good, I'm good. Can you hear me well?
	OP2	Yeah, very well. Very good line, very good line.
	Di Meo	No, but you don't hear the music in the background, right?
	OP2	No, we hear you very well.
	Di Meo	Okay, great.
	OP2	Just one second, let me try to get Ruslan on the line, I'm--.
	Di Meo	Sure.
	OP2	-corresponding with him through WhatsApp, okay?
	Di Meo	Sure.
00:01:12	OP2	Sorry about that, it's just very late and I have a very early morning tomorrow, so we need to work it out. By the way, before he goes up, we had a great meeting with the board. We had a very good meeting with the board.
	Di Meo	Okay, great.
	OP2	He will explain, but we had a very good meeting, I'm very happy about it, so--.
	Di Meo	Great, great, great.
	OP2	Yeah.
00:01:53	OP1	Hello.

	OP2	Hey Ruslan, how are you?
	OP1	Fine, how are you?
	Di Meo	Hello.
	OP1	How are you, Massimo-- where we are catching you?
	Di Meo	I'm-- let me turn the camera.
	OP2	You are on, you are on.
	OP1	No--.
	OP2	Oh, beautiful.
	Di Meo	I'm in a place called 'Hippie Fish', it's a relaxing--.
	OP1	How it called?
	Di Meo	Hippie, Hippie Fish.
	OP2	Hippie Fish?
	Di Meo	It's more of a relaxing chillout club, beach club in Mykonos.
	OP2	In Mykonos?
	OP1	And how is the fish involved in all of that?
00:02:34	Di Meo	The fish has been-- we put the right baits in the sea, and a few snappers came our way. So, I'm quite happy with the pride fish on the table.
	OP2	The baits speak Russian? The baits speak Russian?
	Di Meo	Yes. Yes, both of them. It's an easier territory for exploration, so--.
	OP1	You want me to help you with the translation?
	Di Meo	Thanks God there is Google Translate in--.
	OP1	Yeah.
	Di Meo	-that can basically, you speak into the microphone, and immediately translate the language, so it's very easy.

	OP2	How much--.
	OP1	Yeah.
	OP2	-how much wording do you need, more than that?
	Di Meo	Yeah, exactly. You don't need many words anyway. Russian women tend to be quite--.
	OP2	Ruslan, we're not seeing you.
	OP1	You can't see me? One second.
	OP2	Oh, I missed you.
	Di Meo	Oh, always the most elegant in the room.
	OP2	Yeah, elegant in town, yeah.
	OP1	Yeah, thank you, thank you. And I would pay a lot to exchange places with you, Massimo.
	OP2	You got your tan as well.
	OP1	What?
	OP2	She's--.
	Di Meo	Yeah, [...].
	OP2	-she's not-- yeah, she's not rubbing you enough.
	OP1	Yeah.
	OP2	So, I started, Ruslan, I just started before you went up in the air, I just started saying to Antonello that we had a great meeting, we had a great board meeting.
	OP1	Yeah.
	OP2	And I-- but I wanna leave this for you to say because you were more active than I am in the meeting, so if you can just give us the highlights, and then let's see what is the next step.

00:04:31	OP1	Yeah. So, first of all, thank you very much for having this call with us. I'm feeling very uncomfortable that we are disturbing your vacation every now and then.
	Di Meo	No, no, life is a vacation, so it's--.
	OP1	Yeah.
	Di Meo	-never disturbing.
	OP1	Yeah, and David, I'm really sorry about the hour, but it's something that we need to do, so I'm very appreciating your patience.
	Di Meo	What time is in Hong Kong, by the way?
	OP2	12:00.
	Di Meo	Oh, wow. Sorry about it.
	OP2	Yeah, it's okay.
00:05:02	OP1	<p>It's time for his beauty sleep, but still. So, we had a very good board meeting. We explained them everything and gave them a brief about our meeting. We managed to persuade 80% of the board to support us, which is quite a lot. To be completely frank and honest with you, one of the things that helped us really, it's that Morgan Stanley is onboard. It's something that was, from our side, a gamechanger, and brought the right results to the decision as we see it. You remember, in the past we told you that there is differences between us, how we see the things and how the board seeing it, and now we brought the board to think as us, most of the board, 80%, as I said before.</p> <p>00:06:06 - The board is quite enthusiastic, and they asked us would it be possible to try to arrange a board meeting with you, in order to hear more and to be more verifying about the opportunities that we have.</p>
	Di Meo	Absolutely.

	OP1	There are few questions that they asked David and I, and in the end, they decided to ask you directly if it's possible. But if you--.
	Di Meo	Yeah, with pleasure.
	OP1	-would like to have a sense about what they eager to know, or what are the questions, David will be more than happy to present them to you in order to maybe try to verify things with us at first.
	Di Meo	Any chance, David, you can put them on an email and--.
	OP2	Sure, sure.
	Di Meo	-or you wanna discuss now? Just--.
	OP2	No, not a problem, but let's-- it's only a few questions, I'll put them on email.
	Di Meo	Yeah.
00:07:05	OP2	<p>But the idea, just to summarise what Ruslan was saying, is we had a-- we explained, as we are meeting with you all the time, we are meeting with the board and we are conveying and giving, you know, summaries of the meetings and understanding, to build the 'Okay'. And it's not so easy. You know, buying a ship is one thing, and it really doesn't matter how much it cost, if you have the technical people, the-- it's an easy process. Buying a company, buying a distressed company with a bond, it's a totally different process for us. And it's new.</p> <p>00:07:49 - As such, we are, you know, getting the support of the board in order for us to authorise the move into the buying of the ship. Now, there a lot of other questions are raised in the middle, what will we do, who is supporting us, who is the bondholders, all things that are not in the conventional purchasing of any boat or any product, for that matter. So, our forte here is you. And we are highlighting your professionalism,</p>

		your expertise in the subject, your knowledge of the counterpart, you know, Moby owners and etcetera. But more than that, I think as Ruslan mentioned, when we mentioned Morgan Stanley, it just changed-- are you with us? We lost you? Hello? Antonello?
	Di Meo	Hello?
	OP2	Yeah--.
	OP1	Hello?
	OP2	-we lost--.
	Di Meo	Yeah.
	OP2	Yeah, we lost you.
	OP1	We lost you.
	OP2	Yeah.
	OP1	We lost you in the--.
00:09:04	OP2	Yeah. Anyway, when we mentioned Morgan Stanley, things have changed dramatically in our explanations. Just, it went from a lot of questions marks to, 'Okay, sounds good'. And this namedrop of Morgan Stanley created the shift in our environment, but we need some more--.
	Di Meo	Yeah.
	OP2	-they need some more support in terms of, if possible, you can bring them to the board meeting or bring your friend to the board meeting or give us some more of understanding who are we dealing with because, you know, Massimo is a name nobody knows, but the combination between you could get the shift, although to be very frank with you, we're already there. It's just to hammer the last nail on the coffin--.
	Di Meo	Yeah.

	OP2	-and get the deal done. By the way, I didn't mention before, we are authorised to get between \$20 to \$25 million.
	Di Meo	Okay. That's for the bond purchases.
	OP2	Yeah.
00:10:19	Di Meo	<p>We can definitely top up that amount, if needed, between Morgan Stanley and I. So, in terms of-- so, if you agree, it's better if you give me a list of questions on email about what the board will ask me. I think it's easier if we do it in two steps: the first one is the board meeting with myself, then-- because again, Morgan Stanley, you have to understand the sensitivity around it. Because it's public on the name, because they need to be able to trade. So, if I ask a trader of Morgan Stanley to be part of a meeting with people he doesn't know, and therefore he cannot trust, to participate into a conversation where I will be disclosing what can be considered material, non-public, price-sensitive information, he might get a bit nervous. So, let me have a word with the trader who is ultimately in charge with the position, and reports into my friend, Massimo Piazzzi, who's the Global Head.</p> <p>00:11:34 - The trader is an American-Jewish guy, he's very commercial. He understands things very quickly. But his attitude is, 'I support Antonello because there will be a good trade'. So, I can answer 100% of the questions of anybody in this deal, I, even myself, I don't disclose 70% of the things to the trader, because the trader just needs to vote the bonds in the way I tell him to. He doesn't know the nitty-gritty details, he's a trader. I'm an investor in distressed securities, he only trades them. He gives market quotes. So, he's a smart guy and I'm sure that if he participates the call, he will give the right impression to your people. But he, himself, wouldn't be able to answer 80% of the technical questions that I'm able to answer, just because the role is different. So, that's just a disclaimer.</p>

		00:12:41 - Now, I can have a word with him and we can try, in order to speed things up, to do everything in one go, but maybe just with a video call with me, the board could be understanding of all the difficult questions to be answered, and I'm sure I can get them comfortable. You said, if they want the last mile with the Morgan Stanley trader, I don't know what kind of value added the call, he can bring, other than saying, 'This is my name, I work for Morgan Stanley and I support Antonello Di Meo with our boards, in the negotiation with the company, but I can only tell you that offline because on the record, I cannot state such things'.
00:13:31	OP1	Yeah, I would like to suggest something. David, maybe it's better to go through part of the questions right now, just in order not to-- how to put it, not to be silly in front of Antonello and to send something that he cannot answer, or we are not in a stage of answering those questions. Just to go through, and then we will do fine tuning to those questions that they are okay, and then we can send them.
	OP2	It's okay with me, I'm open.
	Di Meo	Yeah.
	OP2	You know, Mr Ling, he needs to see, he needs to feel the people. And I think he will, as soon as he will see Antonello, because he hears from us, 'Antonello, Antonello' and 'Di Meo', but he doesn't fit, you know, the name to the picture, to the-- and when he heard Morgan Stanley, this is where he came to say, 'Okay, now I'm more supportive.'
	OP1	Yeah.
	OP2	So, I think once we put him on the line and we put Morgan Stanley in, it will, you know, the coin will drop, and we'll get the final approval. So, that's the way I see it. I think we are-- it will work if he will bring in-- I don't know who is the trader



		and I don't know what is the connection between this trader and the bondholding, but I think having Morgan Stanley on the line could create the image that we are there.
00:15:17	OP1	Yeah, but for example, I remember us discussing the thing about the future of the company after we're going to purchase it. If we're going to--.
	OP2	Yeah--.
	OP1	It's something, I think it's something that we can discuss right now, only to have a sense of it.
	OP2	It's just-- Antonello, the question was, it's a simple question and I answer that, what will you do once we get-- you know, manage to overtake the company by the buying of the boat-- the bonds. They are afraid that your next step is going to declare bankruptcy and then sell the assets. By that, we would lose track of buying the ship. So, I assured them that the idea is to get the bondholdings-- the bondholders to get the right management. And by that, in order to liquify the company, they will sell a few ships and we are there to buy one of them or two.
00:16:27	Di Meo	Yeah, it's very difficult to be able to explain transactional details to somebody who's not familiar with restructuring processes. And we have done this many times, and I'll do it again. We are in the middle of a Chapter 11, I mean, I suggest-- again, there is a bit of indoctrination about how Chapter 11 proceedings work. The Chapter 11 proceeding, in Italy, concordato preventivo [Italian: Company voluntary arrangement], is a moment of moratorium on the [...] by creditors, where the capital structure hold the liabilities, the financial liabilities of a company, need to be restructured, restructured means written off partially or entirely, and partially or entirely swapped into equity because the company is not

		<p>doing as well as before, and therefore cannot sustain with its own cashflows the financial liabilities that were in the company.</p> <p>00:17:35 - The process of a Chapter 11, of a concordato preventivo [Italian: Company voluntary arrangement], ends up with a proposal made by the debtor, by the company, or by the creditors, and it's put to creditors' vote in the end, and only the creditors with the majority vote can accept or reject a proposal of restructuring of the financial abilities of the company in Chapter 11. So, we are in the middle of a Chapter 11 there. I will need to put a competing proposal to the company's one. The competing proposal will involve a partial swap of the bonds into equity, to take control, majority or relative majority, to be seen, of the company. Ultimately, I want to be in a position where only our vote is enough to pass with the majority the competing plan that I will put forward, and that's why we want to buy certain bonds, to make sure that we can sell, vote such proposal. Our proposal.</p> <p>00:18:44 - What the proposal will say? The proposal will say, 'All the creditors, including our bonds, get certain recovery over the next five years, but because we will make an equity capital increase, we'll take control of the company.' So, let's say there are various ways of doing it, and we are not at the stage to exactly crafting the way of doing it because we want to wait for the judicial commissioner's report in September, October. So, but ballpark, all the creditors, 700 million, take 20 cents in a dollar over the life of the plan. How do-- the company will pay 20 cents in a dollar, we will sell some ships, or we will get cashflows from the operations in the business. We will pay 20 cents of the dollar, so let's say 200 million to all the creditors over the next five years, and to do that, to take control of the company, we'll make a capital increase-- sorry, really [...], an equity raise, an equity capital increase.</p>
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		<p>00:19:56 - Now, at the moment, the Chapter 11 plan is voted in favour of 20-30 million to make sure that we control the business. So, we will control, with 20-30 million equity investment, the business which will carry forward, let's say, 150-200 million of debt, which you will-- we will need to be paying out with the asset disposals over the life of the company, over the next five years. And therefore, we buy for, let's say, 250-300 million proforma a company which is worth half a billion. That's the basic. Now, once you vote in favour of this proposal, this restructuring plan, and you make the equity raise, and you put the equity in the business and you promise only 20 cents recovery to all creditors, you control the business. Once you control the business, you can decide what to do with the business. Now, in reality, the decision of who is going to control this business will be done much before we vote in favour of the plan. Because the moment I know that I can put through a plan, I will know-- I will go to the government and say, 'Who do you want me to give this control of the business to, knowing that I want to recover X amount of money from the old bonds?'.</p> <p>00:21:22 - Or if the government says, 'As far as the current owner is thrown away, I'm happy for you to find an independent management team that you want', in which case I will go and find, through executive search firms, an independent management team to manage the company. Now, the whole idea is that the restructuring plan will allow to buy the company for liquidation value, and you know, I don't pay in cash. I only need to make a 20-30 million equity raise because I pay with a promise to give liquidation value to the creditors over the next five years. So, you don't pay cash now to the creditors with your own money. You make a promise of future payments, and you just have to put 20-30 million of equity to justify the fact that you're taking over the business. So, that's the overall</p>
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	<p>mechanics. Now, as part of the plan, as we said many times in the past, the plan will say, 'The creditors will recover 20 cents over the next five years also because I already have a firm committed bid by entity X, Y, Z', that you will tell me which one it is, 'that has already made a firm bid on two vessels for 100 plus million', and that's part of the plan.</p> <p>00:22:56 - So, 'Dear court, dear creditors, two ships will be already sold for this amount'. Then we sell other two ships at very low valuation, and that's how you recover 20 cents on the dollar. And what's left over is for the equity. So, your purchase of the two ships will be part of the plan, it will not be something that we first take it over, we sit on the new board and then we decide. No. Will be part of the plan, so the moment when we vote, the plan will already say, 'The moment the plan is approved, these two ships are sold for this price, this entity, no matter what'. So, that's important that you understand. There is no execution risk if we vote in favour of the plan that you don't get the two ships. It will be part of the plan. And it will be executed the moment the Chapter 11 gets sanctioned by the court, and therefore all the write-offs and swapping to equity happen.</p> <p>00:24:04 - Once you get your ships for the price that we discussed about, and you will have residual economic interest in the situation through the recovery of the old bonds, and part of the equity commitment that you will make. Now, with these two things, the idea is that they are of insignificant economic value compared to your target, which is the ships. But in any case, because my financial investment will be alongside the bond and the equity, I will be the first one to make sure that that's a profitable investment. Otherwise, where am I making my money?</p>
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00:24:53	OP2	Understood. I'm okay with that answer. What I do need you once we-- you go online, is to simplify it, and very important aspect is to, you know, give us a timetable. With-- in the call, give us a timetable that we-- that the board can, you know, say, 'Okay, within a year'--.
	Di Meo	Yeah.
	OP2	- 'half a year, two years, three years' time, we can go into transferring ship ownership over to our group', is that okay? Come up with a number, I don't know--.
	Di Meo	Yeah, I can give--.
	OP2	-I don't know, I don't think you know, but I understand you don't know at this point in time, but we need some understanding.
	Di Meo	But because it's-- I'll give you ballpark timetables. The reality is that there is no firm deadlines because the process with the court is interactive. For the process-- the court can postpone the voting date two-three times. So, I will try to explain in a simple way, but again, the difficulty is that you're asking me to explain a process which is extremely complicated and has so many variables in a simple way. If my business was simple, it wouldn't be as profitable. And the fact that it's complex, it's the reason why there is profitability. So, I will try to do my best to simplify things vis-à-vis the board, but it's not an easy task. And I'll try to, as I said, if you put it down in an email, I'll try to give bullet points on email to show you how I plan to present it to the board so that you can tell me, 'Yes, this is the level of granularity that Mr Ling can understand' or not. But it's difficult because if somebody is not familiar with this Chapter 11 concept, it's like, 'Can you ask Einstein to explain the relativity concept to me in three words?'. How the fuck Einstein is gonna do it? He's not gonna do it.

00:27:05	OP2	I understand, just, let's try to keep it as simple as possible in terms of the explanation. Once we-- you-- as I told Ruslan, once we match the face, the understanding that there is someone in the back of it, I think we have done already all the hard work, you just have to explain it and go to the next stage.
	Di Meo	Yeah.
	OP2	Do you know if there is any bond trading right now?
	Di Meo	No, zero bond trading.
	OP2	I see.
	Di Meo	It's very liquid--.
	OP2	Ruslan, do you have any other questions?
	OP1	Yeah, I wanted to ask something, something that somebody asked during the meeting that we had. There is an old say that say, 'The enemy of my enemy is my friend'. And my question is, is it making any sense to join forces with Grimaldi in our venture?
	Di Meo	There is an antitrust issue, which is why Grimaldi never approached me, because if he was interested, he should have approached me. In Grimaldi's mind, he want to crush the competition as long as the competition is in the hands of his enemy, which is the current shareholder of Moby. It will be very difficult when they exchange hands. You approach somebody, Grimaldi, who is very powerful in Italy, from a weak perspective, if you don't have the deal in your hands, it's like, I don't know how to explain this, but you go to-- you want to go and negotiate with somebody when you have a strong hand of poker in your hands.
	OP1	Exactly.
	Di Meo	Today you have nothing to offer.

	OP2	Yeah.
	Di Meo	Once we control the bond, we have everything to offer.
	OP1	I see.
00:28:54	Di Meo	But don't forget that every conversation, such people will be listened by multiple--.
	OP2	Legal.
	Di Meo	<p>-multiple, yeah, multiple-- I don't know, whatever, public prosecutors, secret service, because these are like-- so, it's very important to maintain always with the eye of, 'If this conversation goes public, what happens?'. That's how I approach all my business because that's a constant pathology of doing this. So, even the conversation we are having, there is nothing wrong with it because I'm looking for referential partners who can potentially give better recovery to creditors, they understand the loan plan that the company is putting together.</p> <p>00:29:45 - So, it's very important to always do things with the view that it becomes public, and is there a problem with people and so on. So, also that's why my-- I'm very being thoughtful and careful when it comes to the involvement of Morgan Stanley because they cannot, at this point in time, publicly say, 'We are supporting him'. They are saying that privately to a notary public in London that is preparing a notarised statement that says that those bonds-- let me show you the statement in the next few days-- that says that those bonds 100% are given to my control. But again, they cannot do it in public because it will create issues from a trading perspective, they will need to be restricted, and if they're restricted, they cannot buy bonds on the portfolio. Point number one.</p> <p>00:30:42 - Point number two: if they go public saying, 'We are supporting this investor', the other hedge funds that are on the</p>

		other side of the table, they will start calling the big names at Morgan Stanley to try to force my friend Massimo to do what they want him to do, and not what I want him to do. So, keeping it secret, for them, means freedom. The moment they go public means they have their hands handcuffed because they cannot trade anymore, and they cannot favour me vis-à-vis hedge fund clients.
00:31:17	OP1	I understand. I understand. Tell me, what are the chances that after we will take over the company, Grimaldi will approach us and will try to--.
	Di Meo	<p>Well, I think that the chances are that there is a conversation before the vote, so the moment there is a competing plan that shows new governance, new shareholding, and before the vote, before the competing plan is put through and creditors vote, and that's the moment where I plan to go to the real stakeholders, and the real stakeholder is the government, and first things first, because obviously they will have the view on how this money should be divided between these three companies, and who the stakeholders of the three companies should be.</p> <p>00:32:04 - And secondly, to Grimaldi, to the extent that he's willing to engage with the competitors. So, and again, we need to be careful because there is [...] and considerations. So, it's, again, it's a very sensitive point, that if you don't [...], they will use it against you, and in this case against me. So, I need to be very careful because I cannot be seen in public that I'm considering teaming up with a competitor of the company I'm investing in just to make-- to throw out the current shareholder of Moby.</p>
	OP1	I understand.
	OP2	Antonello, listen, as you said and you explained before, you know, dealing with distressed companies, buying bonds and



		trying to take over, it's not an easy solution. My-- from my end, I'd like to keep it as simple as possible in order to get--.
	Di Meo	Yeah.
	OP2	-the 'Okay'. To be very frank, I've made in my life--.
	Di Meo	I'll try to do it--.
	OP2	-a lot of deals, the more I complicate things to people, the more the sale cycle is extending. So, I'd like you to keep it as simple as possible in terms of dates, what is need to be done when you are presenting it to the board, but for us it's important that you bring another-- you bring your trader, the Morgan Stanley, just to bring him in and say, 'Okay, they are with us on this deal', and that's about it. The more we actually go and dive into the bits and bytes, let the legal do that. But the board needs to see it from a, you know, aggregated level, from a bird's eye view level. Once they authorise it, then it's much easier process because then, technicalities will be dealt later on. Is that okay with you?
00:34:09	Di Meo	There is-- no, no, that's-- I-- look, I've been all my life presenting to investment committees of private equity funds and hedge funds all over the world, so it's all clear to me that making things look simple, it's the shortest way to get approval. There is a 'but', which is more for you two than for me. The more you simplify things which are complex, the more there could be-- I don't wanna say surprises on the way, but things are-- they're gonna say to you, 'You told me that by December there is the vote. Now the court is postponed to March. Where is--?' So, there is a competing risk in making things simple, but this is for you to manage, the bridge this gap is that then things, once the complexity unfolds and my job is to react to unfolding of news, of positioning of other stakeholders, so, you change the plan because somebody did a move.

		00:35:16 - So, if I go to your board and say, 'This is going to be the plan', we swap the bond [...], that's a simplification which-- you run the risk that, once the plan actually would be different because of a number of things that happened between today and when the plan would be put forward at the end of October, then they would say, 'Oh, yeah, but you told me two months ago that it was only 20-30 million of equity, why is now 50?'. Things like this is the competing risk with simplifying things. As I said, it's more for you guys because for me, in a way, it's important that the two of you understand it fully. And that's why also I like to start putting things more structured on paper so that you can make a reference to the things we say to each other on paper, so that there is no surprise because I'm a very transparent and straightforward person, and the last thing I want is you telling me, 'Oh, but you didn't tell us that' and then most likely, my answer would be, 'Actually, in the way I explained it to you--.' [Internet disruption]
	OP2	Yeah.
	OP1	We lost you--.
	Di Meo	Hello? Hello?
	OP2	Yeah.
	Di Meo	[Simultaneous talk -] Okay.
	OP1	-on the last minute.
	Di Meo	Yeah. So, basically, you understand what I'm trying to say? [...] that--.
	OP2	No, I totally understand. Please understand our structure. The idea is first the board to authorise it. Once the board will authorise them, the technical people will come in and set up the understanding and build the structure of the contract between us

		as buying the bondholders. But if you don't get the board approval to go ahead--.
	Di Meo	No, no, I get it.
	OP2	-I can speak to anyone I want, I can move a lot of people, nothing will happen. Once I have the board approved, then things can follow in a month or not, but nothing will move if I don't get the approval. I cannot, I cannot--.
	Di Meo	No, no. I get it, I get it.
	OP2	I cannot even start--.
	Di Meo	[Simultaneous talk -] I just want to be clear--.
	OP2	-speaking to the legal. I cannot even start discussing. I cannot even do anything before I get the approval. Once I have the approval, then my ship start moving into the sea.
	Di Meo	Absolutely. No, I just wanted to reiterate this concept because I don't want at least disappoint the two of you because we have developed anyway a good relationship, so.
	OP1	And I will fully understand.
00:37:52	Di Meo	And the other thing is that, for example, the risk we're running now is that-- I discussed this with you a month ago-- I think end of August, or at the latest the beginning of September is the closing of the window to buy the other bonds because if the bond purchase doesn't happen, of the other bonds, then the risk I'm running/ we're running is that the deal takes a shape that gets discussed and [...] a few times between the hedge fund and the current shareholder, such that then, it's very difficult for a hedge fund to sell the bonds because the deal is taking a positive shape, the hedge fund is seeing, let's say, 80% recovery in the deal that they are trying to negotiate with the owner and therefore they are gonna say, 'Why do I need to sell it 50 cents on a dollar?'

	OP2	Yeah.
	Di Meo	So, that's the highest risk I see that, in a way, we are running at the moment. I think really the window for bond-buying close in the early part of September.
	OP2	Tell me--.
	Di Meo	Again, I told you, [...]. If after all this work we are never gonna be able to purchase the bonds, and therefore-- I mean, I will always put together a competing plan hoping that I will have enough voting block to crush their deal and support their deal, and they will have, ultimately, to support my deal too, but obviously, it's a different game, much more risky because you don't have certainty that you can vote your plan. So, just I wanted to reiterate this because I don't want you to come back to me in a month and say, 'Now we're ready' and I will tell you, 'Well, we've tried to contact the counterparts and they said they're not selling because they have a deal with the [...].
00:39:56	OP2	Last question on my side [...]. I told you that we've been authorised between 20 to 25, to be more exact, 22, something, like that. Are you-- I understand you need something in the range of 30, that's what I remember.
	Di Meo	Yeah.
	OP2	What is the-- where is the other amount Morgan Stanley or anyone else from your part is willing to put in?
	Di Meo	Hello?
	OP2	Did you hear my question? Antonello, did you hear my question?
	Di Meo	Yeah, I got the question. The gap is gonna come from Morgan Stanley, I hope. And if Morgan Stanley doesn't wanna put all the money, I'll put my money.
	OP2	Okay. Okay.

	OP1	Perfect.
	OP2	When can we set up the meeting, Ruslan, with the board?
	OP1	Hopefully, next week. Would it be okay?
	OP2	[...].
	Di Meo	It's okay for me.
	OP2	Yeah. Do you want-- you want to meet--.
	Di Meo	I--.
	OP2	How do you want to set it up? Do you want to meet with the board-- I don't know if we can have two meetings, that's why I want Morgan Stanley--.
	Di Meo	Okay.
	OP2	-to be on the--.
00:41:15	Di Meo	Let me, let me speak to Morgan Stanley first. The only thing I would say, it's much easier for me before the 23 <sup>rd</sup> of August because on the 23 <sup>rd</sup> of August to 1 <sup>st</sup> of September I will be sailing on a boat for nine days. And on a boat, the signal, you cannot rely. So, until the 23 <sup>rd</sup> I will be in Paros, in an island, in a villa, and so it's much easier for me to also take a call from inside the villa with a computer in a more professional format than sitting on a beach club.
	OP2	Okay. Fair enough.
	OP1	No problem.
	OP2	Any other thing, Ruslan?
	OP1	No. You asked-- Antonello?
	Di Meo	Yeah.
	OP1	Yeah. First of all, thank you very much. Another thing--.
	Di Meo	Thank you.

	OP	I just noticed, the AP is really nice. What happened to the Apple watch that your mother bought you?
	Di Meo	[Laughs] I'm in Mykonos, so you gotta do some marketing.
	OP1	Yeah. [Laughs] I fully agree. Enjoy your time, have a great time.
	Di Meo	Thanks, guys. I'll wait for your email.
	OP2	Antonello, let me send you a few other questions that we asked, just to answer them. Get me, as soon as you can, an understanding when is the meeting set, it doesn't need to be more than 15 minutes on the line. Bear in mind that we are opposite time. I don't know--.
	Di Meo	I get it.
	OP2	Yeah, we are-- I'm in Hong Kong, they are in the United States, and you are in Greece. So, we need to find an adequate time that we can go on board.
	Di Meo	No problem.
	OP2	I cannot get my board at 9 o'clock in the evening or 10 o'clock in the evening.
	Di Meo	Absolutely, it's fine.
	OP2	I'm sorry about that. But--.
	Di Meo	It's fine. [...]. The other thing is, if you can send me a profile of the people I'm going to speak to--.
	OP2	Sure.
	Di Meo	-it will be helpful.
	OP2	Sure, no problem.
	OP1	No problem.
	Di Meo	Okay? Thank you guys, have a good day.
	OP1	Enjoy your time, thank you very much.

	OP2	Bye, you too. Take care.
	OP1	Thank you. Bye-bye.

Date of the meeting: August 22nd, 2021

Name and duration of the recording: 20210822\_140059 | 00:27:35

Time stamp	Side	Transcript
00:00:00	OP1	[Meeting starts]  00:00:51 - Hello? Hi, how are you?
	Di Meo	Hi, Ruslan.
	OP1	Hi. You are in the car, right now?
	Di Meo	I'm in a car, but I'm not driving.
	OP1	This is good. Be careful, we don't want you to be injured or something of that sort.
	Di Meo	No, no, don't worry, I don't do multitasking.
	OP1	Okay-- You are flying tomorrow to your cruise, or it's going out of Greece?
	Di Meo	No, no. So, tomorrow we go to a different island with a boat, so that's why it's a bit more complicated when you are on a boat to--.
	OP1	Yes, of course.
	Di Meo	-to do videocalls.
	OP1	Yeah.
	Di Meo	Today we are in Antiparos.
	OP1	It's a cruise in the Berlusconi style or something different?
	Di Meo	No, no, much more humble. Much more humble.

	OP1	[Laughs] I understand, I understand. Okay.
	Di Meo	You are in Hong Kong?
	OP1	Yes, in a minute. What, your friend is going to join us to this call?
	Di Meo	Yeah, yeah.
	OP1	So--.
	Di Meo	Hillel Drazin of Morgan Stanley.
	OP1	So, let's start with both of you.
	Di Meo	There is a hurricane in the US.
	OP1	Oh. Hello?
	Di Meo	Yeah. Hello?
	OP1	Yeah. Hi, good morning.
00:02:31	Di Meo	Hi, Hillel.
	Drazin	Hi, Antonello. Ruslan, nice to meet you.
	OP1	Hi. I'm Ruslan, very nice to meet you. A very good morning to you.
	Drazin	Thank you.
	OP1	Good noon for me, and in a few minutes good evening for our guest from Hong Kong.
	Di Meo	You are-- where are you, now?
	OP1	I'm in London.
	Di Meo	Okay. How is the weather?
	OP1	Okay. As always, the weather in London, how can it be? Once I went for a meeting in London, and it was sunny, and it was great. And on my way back, it was raining. So, the cab driver told me, 'You know why we calling "Mother Nature", "Mother Nature", and not "Father Nature" or "Brother Nature"?'



	Di Meo	Why?
	OP1	'Because the weather in London it's like a woman, it's unpredictable.'
	Di Meo	[Laughs]
	OP1	So--.
	Di Meo	Hillel was telling me there is a hurricane in New York.
	OP1	Yeah.
	Drazin	Yeah, I'm sitting on my porch, and it's pouring, pouring rain.
	OP1	Oh. Now, in London it's 20 degrees. So, it's not too hot, but it's okay. Probably in Greece it's thirtysomething or?
	Di Meo	Yeah, yeah, it's 32.
	OP1	Yeah, I understand.
	Drazin	Are you going somewhere, Antonello, or just sitting in the car?
	Di Meo	I'm in the car not driving. I'm in Antiparos at the moment. A tiny island in the Cyclades.
	OP1	Yeah. So--.
	Di Meo	We can't see you Hillel, I don't know if it's because your camera is off or because your hairstyle-- okay.
	OP1	Yeah.
	Drazin	You can decide. I'm looking summery.
	OP1	Yeah. So, first of all nice to meet you.
	Drazin	[...].
	OP1	I will join our friends from Hong Kong in a few minutes. It's going to be David, which Antonello knows him for quite a while, and Mr Lim. Mr Lim is one of our board of directors. Just take in consideration that now in Hong Kong, it's nine o'clock in the evening and it's Sunday, so--.

	Drazin	Yeah.
00:04:45	OP1	He will represent all the rest of them. In general, we already spoke with him and we explained everything after we had a very long discussions with Antonello. And everything is agreed more or less. The only thing that they would like to assure, that you guys from New York standing behind Antonello and everything that Antonello will decide, you will follow. This is first. And the other thing, which is also very important to them, it's the two ships that we discussed earlier. They fully understand that we need to pass certain procedure before we can have results about the ships. But hopefully, if everything will go according to the plans, we would like to have those two ships that we discussed with Antonello earlier. This is the aim of the meeting and the aim of those individuals in Hong Kong, after we had a very long discussions with them and explained everything. So, if it's okay with you, I think I can join them to the meeting, and to have this conversation.
	Di Meo	Sure.
	Drazin	Sure.
	OP1	One second. And again, thank you very much for having this call with us on Sunday, we really appreciate that.
	Drazin	No problem.
	OP1	Hi, David. Good evening.
	Di Meo	Hi, David.
	OP1	Hello, Mr Lim. Good evening.
	OP3	Yeah, hi. Yeah, good evening, everyone.
	Drazin	Good evening-- Good morning, [...].
	OP2	Good night, Ruslan, how are you?
	OP1	Yeah, we have good morning, good noon, and good evening, so.

	OP3	Yeah.
00:06:39	OP1	This is the variety, thanks God to Zoom calls. Yeah, David, we had a small chat before we brought you into this conversation. So, if you would like to say something, the stage is yours.
	OP2	First of all, thank you very much for having us. Mr Drazin, is that correct?
	Drazin	Yeah.
	OP1	No, he's sitting in the car, he's not driving.
	Di Meo	No, no.
	Drazin	Hi, Hillel Drazin, yeah. It's nice to meet you.
	OP1	Yeah.
	OP2	Hi, how are you?
	OP1	I can give you a small brief what happened up until now, Antonello is sitting in the car, in New York we have an hurricane, a pouring rain, so this is where we are standing right now.
	OP2	Nice car. What kind of car is it?
	Di Meo	It's a Range Rover sport, nothing fancy.
	OP2	Ah, okay. I just want you to open the roof so we can see the sun. It's raining here, pouring rain in here.
	OP3	[Simultaneous talk] [...].
	OP2	How-- yeah. How about in New York? Is it-- the hurricane is already there?
	Drazin	It's pouring, pouring rain. Feels--.
	OP2	Really?
	Drazin	Not much wind, but there is a lot of rain, yeah.
	OP2	Great.

	Drazin	There was rain all day.
00:08:02	OP2	<p>So, this meeting is not gonna be long. It just-- we-- our board of directors have asked us to-- you know, we have been discussing with Antonello for quite some time this-- you know, participating in the bond purchasing of Moby and CIN and Tirrena [Tirrenia], and to be able to, in some way or another, take over the company. And from our end, be able to sell us two of the ships. So, Antonello was kind enough to show us a way, or to lead us into a way, which is gonna be much easier path to acquire those ships. And we kind of like the idea.</p> <p>00:09:00 - First of all, the idea of having a good chance of having those two ships. But more, to be very frank with you, Antonello, more importantly, possibly a foot into the ferry business in Italy as well. So, we've asked one of our board members, Mr Lim, to join us. He asked to see, to hear the people, and to understand better. And to, you know, to get an assurance in this respect, that Morgan Stanley is with us in this venture, and for us, more importantly, to assure that, you know, the ships are there for sale and we can put our hand, maybe in a year time or half a year time, after we go with the path that Di Meo is provided us. Di Meo, do you wanna highlight more?</p>
	Di Meo	Yeah. I'll give the three-minutes overview of the situation then Mr Lim can ask any questions he'd like to focus on. First of all, nice to meet you.
	OP3	Nice to meet you.
00:10:27	Di Meo	I have my own investment company, I manage family office money. I worked in London for 20 years in JP Morgan, TPG Capital, Barclays, and Sound Point Capital. I used to work with Hillel Drazin at Barclays for a few years, so we know each other very well and there is a very trustworthy relationship. As I mentioned to David and Ruslan, Hillel also works at Morgan Stanley with one of my best friends, Massimo Piazzzi, who is an

		<p>Italian national, like me, who runs globally the distressed business of Morgan Stanley.</p> <p>00:11:11 - So, there is a consortium basically between my investment company and Morgan Stanley, which has acquired a significant portion of the bonds of Moby, Moby-CIN, which is one of the most relevant infrastructure companies in Italy because it's the number one ferry operator of people between Italian mainland to Sardinia and Sicily, and one of the main three cargo operator between mainland Italy and the islands of Sardinia and Sicily. It's a three-players market. Moby is one, Grimaldi, a very large and international company, is the second one. And Grandi Navi Veloci, which is part of MSC, which is probably the largest cargo business in the world run by an Italian who is based in Switzerland, is the third player in the ferry market in Italy.</p> <p>00:12:18 - The company went into financial difficulties for a number of reasons, and also because Grimaldi is a fierce opponent of Mr Onorato, the owner of Moby. So, the company started Chapter 11 a few months ago. As you might be familiar with, in the context of a Chapter 11 restructuring, ultimately the creditors vote the restructuring plan, a restructuring plan which can be put forward by the company or by the creditors. So, the company has obviously put forward a restructuring plan where Mr Onorato and his family will keep the 76 ships under their control without putting much money. And my plan, supported also by the backing of Morgan Stanley, is to put forward an alternative competing restructuring plan which provides for a change in governance in the company.</p> <p>00:13:22 - We think that the Italian government will stand behind a change in governance of the company because the ministry of Economic Development is ultimately very unhappy with Mr Onorato ownership of this company, for a number of</p>
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	<p>reasons that you can read in the press or we can discuss probably at a later stage. So, we believe that Tirrenia, which is a creditor, a state creditor of Moby, will also, ultimately, support through the government our alternative plan to change governance in Moby.</p> <p>00:14:06 - In order to be 100% sure about the voting of the alternative plan, there is a small additional investment that we are contemplating in making in the bonds to secure mathematical certainty of voting the alternative plan through. Once we secure this alternative small investment in the bonds, to have the mathematical certainty to have our plan approved, we can effectively put forward any plan that we like, and vote it ourselves without relying upon other creditors' vote. The only creditor which is relevant, more for soft reasons than for mathematical reasons in their vote, is the state because the state obviously is a key stakeholder of an infrastructure asset in Italy.</p> <p>00:15:05 - When it comes to putting forward an alternative plan, the alternative plan will provide, as we discussed with Ruslan and David, will provide for a sale of the two vessels immediately to the entity that we'll indicate, given that you have an interest in these two specific vessels. And at the same time, the plan, the alternative plan, will provide for a change in ownership, total or partial, of the current shareholdings. So, we as creditors will take over the relative majority of the equity in the restructured business. It's very important to understand that if the plan, which provides for the immediate sale of the two vessels to the entity that we indicate, is voted in favour by the creditors, that transaction happens simultaneously, day one, with the change of ownership of the company.</p> <p>00:16:08 - So, the structure would allow for you to secure, through the purchase plans that we discussed with David and Ruslan, the immediate acquisition of those two vessels, and at</p>
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		<p>the same time through your purchased bonds which will be converted into partial equity, you will also have an equity interest in the restructured business of Moby, which will change governance. Then, we can discuss about what you do with the equity interest and what kind of objectives you want to achieve, but we can do that at a later stage, when we are close to finalising the details of the alternative proposal.</p> <p>00:16:54 - That's overall the big picture. I don't know, David or Ruslan, if you have something that you want to add, or Mr Lim, if you want to ask specific questions, Morgan Stanley and I are here to help you understand better the situation.</p>
	OP2	<p>Just for an introduction because I wasn't there before, I presume you had a conversation before that, when we went up live on the air. Mr Drazin, where are you from, other than New York?</p>
00:17:24	Drazin	<p>Yeah, why don't I give you just two minutes of background on me?</p>
	OP2	<p>Sure.</p>
	Drazin	<p>I run the distressed and special sits business for Morgan Stanley in Europe. Prior to that, I worked for what is now Sixth Street Partners, which was previously TPG's private credit business, and I ran Barclays' distressed business in Europe as well. I'm originally from Toronto, I spent, you know, almost 20 years in New York and moved to London in 2012. Antonello actually worked on my team at Barclays from 2012 until I left in 2016, we both left Barclays around the same time. As he mentioned, you know, he's been a close, he's been a close personal friend since the beginning, and obviously, we've done a lot together over the years.</p> <p>00:18:10 - My partner at Morgan Stanley, as Antonello mentioned, Massimo Piazzzi, is also a very close friend of Antonello's. And the three of us have done, we have done a lot</p>

		<p>together, you know, over the last eight-nine years in Europe. We've been involved in this situation as a passive bondholder, but supportive of Antonello's plans since pre-corona, probably since 2019, maybe even 2018, and we remain, you know, committed to that process. You know, we're-- in this situation, we are a capital partner behind Antonello's, you know, orchestration of the process. And our intent is to remain [...].</p>
00:18:55	OP2	<p>And will you be willing to upload more money into this deal, should-- this can be insufficient from our side, we are thinking of inserting about \$23 million altogether. If we need some more money to convince the other bondholders to work with us, will you be willing to invest more?</p>
	Drazin	<p>We certainly have the capacity to increase our exposure, I think. Right now, relative to our portfolio, this is a small investment. So, we have the capacity to increase that, for sure.</p>
	OP2	<p>Understood.</p>
	Drazin	<p>I'm actually not sure we're gonna need that much, 23 million bucks is another almost 50 million bonds probably. So, it might get us to the threshold we need anyways, depending on the market conditions at the time. But we definitely have the capacity to increase the exposure if we need to, in particular, to affect an outcome.</p>
00:20:02	OP2	<p>Mr Lim, as you heard, I mean, we have both Antonello here with us and Morgan Stanley. Do you-- Any other thing that will make you feel comfortable assuring us and providing us the 'okay'?</p>
	OP3	<p>Yeah. Thank you, this Antonello for your presentation and your brief. Okay, David, I just want to ask that, but [...] from a technical [...] is Morgan Stanley behind this deal?</p>
	OP2	<p>So, as both Mr Drazin and Di Meo stated, they are working with us in order to facilitate this deal. I know that we have good</p>



		contacts with Morgan Stanley in Hong Kong, and this is the reason that you asked us to affirm it. I think in this respect, I feel very comfortable about it, and I hope that you feel the same. Ruslan, do you want to add anything in this--?
	OP1	Yeah. I think this is more than enough. Of course, we will need to have the approval of the board, hopefully Mr Lim is satisfied from the answers that we received today. I think it's more than enough, but again, they need to decide. I think we can move forward with that.
00:21:39	OP2	Di Meo, I just want, you know, two wording on the timetable of selling the ship itself.
	Di Meo	Yeah.
	OP2	I hope-- We understand the structure, having said that--.
	Di Meo	Yeah.
	OP2	When do you think we can change ownership, should everything goes in place and we manage to acquire all the bonds and holding of the company?
00:22:04	Di Meo	<p>Yeah. So, I think the time windows are the following. As I represented a few times to you in the past two-three months, beginning of September is the very last moment, I believe it's probable to buy the additional bonds that we need to secure the vote. Then, between the end of October and the first half of November, assuming there is no delay in the court, which can always happen, as the court wishes, the Court of Milan, between the end of October and the half November, put forward the competing plan after analysing the materials that will request to court in September after we buy the additional bonds because I cannot ask information until I've done the trading that I need.</p> <p>00:22:59 - Otherwise if I ask information and I get the information to make the alternative proposal, I cannot trade the bonds. So, that's the necessary sequencing of things. The vote</p>

		of the creditors will happen, in my opinion, in the first quarter of next year. And two months following the vote of creditors, the sanctioning by the court of the plan will happen. So, the change of ownership/ purchase of these vessels at the same time by you should happen in Q2 next year. But the deal making is done, let's say, between the end of October and the end of December.
	OP2	Next year?
	Di Meo	The deal making-- the proposal of the competing plan just--.
	OP2	No, no. [...]-- yeah, yeah, I totally understand. Now in this respect, Di Meo, we've been authorised-- of course, Mr Lim has to go back and just to affirm it, but we've been authorised \$23 million to proceed.
	Di Meo	Yeah.
	OP2	When do you need this money and at what time? Because we have to have our legal also confirming everything.
00:24:27	Di Meo	As I said, in my opinion, the-- okay. The first part of September is the date when-- [internet disruption] the bonds. And the reason is that I need the time to ask information to the court in September to make the plan and submit the plan in October. And I can only do that after the bonds are purchased. So, that's the reality of it. Now, I cannot-- obviously I discussed this with Morgan Stanley in the past, and you know that we are going to invest the money ourselves in case you don't want to make the investment. So, again, we, at some point, we will need to pull the trigger because I need the sequencing of events to happen, and the sequencing of events start with purchase of the bonds. Until we purchase the additional bonds, we cannot ask the confidential information to the court or the company, and then we cannot put together the alternative plan.
	OP2	[...].

	Di Meo	So, that's the--.
	OP2	So, let me-- give me a date that I can work with. 15 <sup>th</sup> of September, 20 <sup>th</sup> of September?
	Di Meo	Yeah, I think--.
	OP2	This is the timetable that we can actually plan.
	Di Meo	I think the 15 <sup>th</sup> of September is already a stretch, but let's say, most likely it could work.
00:25:56	OP2	Mr Lim, can we get our legal to work in this timetable to confirm everything?
	OP3	Okay, yes.
	OP2	Okay, great. I-- Mr Lim, do you have any further questions in this respect?
	OP3	No.
	OP1	What are--.
	OP2	No? Okay.
	OP3	Good, yeah.
	OP1	Mr Lim, I will be in touch with you tomorrow in a more convenient time for you.
	OP3	Sure, sure.
	OP1	So, we will can discuss it and finalise everything.
	OP3	Of course.
	OP2	Sure.
	OP1	Perfect.
	OP2	We will be in the office together, Ruslan, so we will have a [...] meeting and--.
	OP1	Perfect.

	OP2	Let's see, let's work it out tomorrow because the timetable that we have is very, very short--.
	OP3	Yeah.
	OP2	-and the legal aspects are an important as well.
	OP1	Perfect. Great.
	OP3	Okay. Just let me know, yeah.
	Di Meo	Thank you very much. It was a pleasure meeting you, Mr Lim.
	OP1	[Simultaneous talk] Great. Thank you very much, Mr Drazin.
	OP3	Yeah.
	OP1	Thank you very much, it was very nice meeting you. Mr Lim, thank you very much for having this call with us.
	Drazin	Thank you.
	OP3	Yeah, thank you, bye.
	OP1	Thank you very much.
	OP2	Thanks, bye-bye.
	Drazin	Nice to meet you all.  [Meeting ends]